

## SETTLEMENT AGREEMENT AND RELEASE

The People of the State of California, by and through San Francisco City Attorney Dennis J. Herrera ("the People") and SEK Restaurant Group, LLC ("SEK"), do hereby enter into this Settlement Agreement and Release (the "Agreement"), with reference to the following facts:

### Recitals

A. During 2009, 2010 and 2011, SEK charged its customers a Health Care Surcharge of 4%.

B. In 2011, SEK cooperated fully with the City Attorney Office's efforts to ascertain how much of the money SEK collected from this surcharge was actually spent on health care for its employees.

WHEREFORE, in consideration of the promises, covenants, representations and warranties contained herein, and for good and valuable consideration given hereunder, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

### 1. Effective Date

The effective date of this Agreement will be the date the Agreement is signed by all parties if on the same day or if on different dates than the last day signed by a party.

### 2. Definitions

All references to years shall mean the relevant calendar year(s).

"Agreement" shall mean this Settlement Agreement and Release.

"Claimants" shall mean Covered Employees that were employed by SEK in San Francisco during 2009, 2010 and/or 2011.

"Covered Employee" shall have the definition set forth in Section 14.1(b)(2) of the BCDO.

"BCDO" shall mean the San Francisco Health Care Security Ordinance, codified at San Francisco Administrative Code, Chapter 14.

"Health Care Surcharge" shall mean the 4% surcharge added to SEK's customers' bills in 2009, 2010 and 2011.

"Parties" shall mean the People and SEK.