

## SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is entered into between the District of Columbia (“District”), acting through the Office of the Attorney General for the District of Columbia (“OAG”), and Matchbox Food Group, LLC (“Respondent”); hereinafter referred to collectively as the “Parties.”

### PREAMBLE

As a preamble to this Agreement, the Parties agree to the following:

A. WHEREAS, the District is a municipal corporation empowered to sue and be sued, and is the local government for the district constituting the seat of government of the United States. D.C. Code § 1-102. The District is represented by and through its chief legal officer, the Attorney General for the District of Columbia. The Attorney General has general charge and conduct of all legal business of the District and all suits initiated by and against the District and is responsible for upholding the public interest. D.C. Code § 1-301.81(a)(1).

B. WHEREAS, Respondent owns or has owned restaurants in Washington, D.C. under the “Matchbox and “Ted’s Bulletin” trade names.

C. WHEREAS, in October 2018, OAG opened an investigation of Respondent regarding potential violations of the District’s Wage Payment and Collection Law (“WPCL”), D.C. Code §§ 32-1301, *et seq.*, and Minimum Wage Revision Act (the “Minimum Wage Act”), D.C. Code §§ 32-1001, *et seq.* in relation to employees employed by Respondent in Washington, D.C. Any and all claims arising out of alleged non-compliance with the WPCL or Minimum Wage Act in relation to tipped employees between 2016 – 2018 are referred to herein as the “Covered Conduct.”

D. WHEREAS, the Parties have decided to reach a settlement agreement to resolve any dispute arising out of the Covered Conduct.

E. WHEREAS Respondent represents that no other legal entity has a legal or contractual obligation to assume any liabilities for the Covered Conduct, or has otherwise assumed liabilities of Respondent for the Covered Conduct.

F. WHEREAS, in order to avoid the delay, uncertainty, inconvenience, and expense of any protracted dispute, the Parties have reached a full and final settlement agreement as set forth below:

### TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, the Parties agree as follows:

1. Permanent and Binding Resolution. This Agreement is a permanent and binding accord and resolution of the rights and obligations of the Parties with respect to all matters that are the subject of this Agreement.

2. Payment. Respondent agrees to the terms as outlined below:

a) Respondent agrees to pay the sum of One Hundred Forty-Seven Thousand Five Hundred Fifty-One Dollars and Fifteen Cents (\$147,551.15) (the "Settlement Amount") to settle this matter.

b) Respondent further agrees to pay the Settlement Amount in the following manner:

i. Respondent will make payments to each individual (a "Claimant") for the gross amounts set out in Exhibit A, the total of which is One Hundred Forty Two Thousand Five Hundred Fifty-One Dollars and Fifteen Cents (\$142,551.15) (the "Restitution Amount"), less any federal, state, or local withholding taxes. All Restitution Amount payments shall be made directly by Respondent to the Claimants by check, money order, or direct deposit. In the event a Claimant is no longer employed by Respondent, Respondent will mail the respective payment to his/her last known address.

- ii. Respondent shall pay the Restitution Amount in six (6) monthly installments due on the first of the month beginning December 1, 2020. The Restitution Amount shall be paid out to Claimants in accordance with the schedule set out in Exhibit A.
  - iii. Fifteen (15) days prior to making any payment required in Paragraph 2(b)(i)-(ii), Respondent shall provide the District with the addresses for each Claimant and the gross amount they will be paid pursuant to the Settlement Agreement so that the District can issue a notice to each Claimant.
  - iv. On May 1, 2021, Respondent will make one (1) payment in the amount of Five Thousand Dollars (\$5,000.00) payable to “D.C. Treasurer.” This payment shall be: 1) in the form of certified or cashier’s check or money order, and 2) delivered to the attention of Cullen Hamilton, *Paralegal Specialist, Office of the Attorney General for the District of Columbia, Suite 630 South, 441 Fourth Street, N.W., Washington, D.C. 20001.*
  - v. By September 1, 2021, Respondent will review whether any payments made to Claimants remain uncashed (the total of uncashed payments is referred to as the “Uncashed Amount”). Upon this review, Respondent will void all uncashed payments and issue a single check for the Uncashed Amount made payable to “D.C. Treasurer” no later than November 1, 2021. This payment shall be: 1) in the form of certified or cashier’s check or money order, and 2) forwarded to Cullen Hamilton, Paralegal Specialist, Office of the Attorney General for the District of Columbia, Suite 630 South, 441 Fourth Street, N.W., Washington, D.C. 20001. The Office of the Attorney General shall deposit these amounts into its Restitution Fund and attempt to locate Claimants who failed to cash their payments and distribute amounts owed in accordance with Exhibit A.
  - vi. By July 1, 2021, Respondent shall provide to the District documents sufficient to show that all the payments to the Claimants required by Section 2(b)(i) of this agreement have been made.
- c) In the event any Claimant or the District does not receive Respondent’s required payments within fifteen (15) days of the date the payment was mailed, the District shall notify Leslie Stout-Tabackman, Counsel for Respondent. Respondent shall have fifteen (15) days from the date of the District’s notice to re-issue a payment for any outstanding amount.

3. Compliance. Respondent shall continue to institute policies and/or systems sufficient to ensure prospective compliance with the Minimum Wage Act. Within sixty (60) days after this Agreement is fully executed, Respondent shall submit to the District a letter from counsel

describing and confirming payroll systems implemented by Respondent to correct the Covered Conduct in compliance with the Minimum Wage Act.

4. Release by the District. Conditioned upon receipt of the amount detailed above and proof of implementation of compliance policies, the District shall immediately, and without any further action required, be deemed to have released Respondent from any and all actions, disputes, claims and demands of every kind and nature, without limitation and including any known or unknown claims, at law, in equity, or administrative, which it may have had, now has, or may have arising out of the Covered Conduct that could be civilly brought under the Wage Payment and Collection Law and Minimum Wage Act.

5. Release by Respondent. Upon execution of this Agreement, Respondent shall immediately, and without any further action required, be deemed to have released the District from any and all actions, disputes, claims and demands of every kind and nature, without limitation and including any known or unknown claims, at law, in equity, or administrative, which it may have had, now has, or may have arising out of the Covered Conduct.

6. Each party to this Agreement shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

7. Respondent represents that this Agreement is freely and voluntarily entered into without any degree of duress or compulsion whatsoever.

8. The undersigned District signatories represent that they are signing this Agreement in their official capacities and that they are authorized to execute this Agreement on behalf of the District and thereby bind the District.

9. Provided that both Parties execute a copy of this Agreement, the agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

10. This Agreement is governed by the laws of the District of Columbia. The Parties agree that the exclusive jurisdiction and venue for any dispute arising between the Parties under this Agreement shall be the Superior Court of the District of Columbia.

11. This Agreement constitutes the complete agreement between the Parties with regard to the Covered Conduct. This Agreement may not be amended except by written consent of the Parties. But if any provision of this Agreement is determined by the Superior Court of the District of Columbia to be unlawful, then the District may, at its option, choose to sever such provision or declare the entire Agreement null and void.

12. This Agreement shall be binding upon the Parties, their successors, transferees and heirs. Respondent shall not assign the obligation under this Agreement.

13. This Agreement shall become effective once it is signed by the Parties.

14. If Respondent fails to pay the Settlement Amount as required, then Respondent consents to an entry of judgment in the amount of the remainder of the Settlement Amount monies owed, plus attorney's fees and court costs.

**THE DISTRICT OF COLUMBIA**

KARL A. RACINE  
Attorney General for the  
District of Columbia

Date: 6/12/2020

By: /s/ Kathleen Konopka  
KATHLEEN KONOPKA  
Deputy Attorney General  
Public Advocacy Division

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*Attorneys for the District of Columbia*

**MATCHBOX FOOD GROUP, LLC**

Date: 6/10/2020

By:   
Name (Print): Aji Azima  
Title: Managing Operator  
MATCHBOX FOOD GROUP, LLC