

PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS

This Settlement Agreement and Release of All Claims (“Agreement”) is made and entered into between Plaintiff DANTE ANGOTTI (“Plaintiff”), in a representative capacity on behalf of all current and former non-exempt employees, on the one hand, and Defendants AZUL HOSPITALITY GROUP, LLC; AZUL HOSPITALITY MANAGEMENT, LLC; AZUL HOSPITALITY, LLC; AZUL HOSPITALITY-BROADWAY, LLC; AZUL HOSPITALITY-GLENDALE, LLC; AZUL HOSPITALITY-NORTH BAY, LLC; AZUL HOSPITALITY-PASO ROBLES, LLC; AZUL HOSPITALITY-PH, LLC; AZUL HOSPITALITY-RB, LLC; AZUL HOSPITALITY-SACRAMENTO, LLC; AZUL HOSPITALITY-SRSB, LLC; and AZUL HOSPITALITY-GASLAMP, LLC (collectively, “Defendants”) on the other. From time to time herein, Plaintiff and Defendants may collectively be referred to as the “Parties.”

This Settlement shall be binding on Plaintiff and the non-exempt employees (“PAGA Members”) (as defined below) who Plaintiff purports to represent; the State of California; and on Defendants and any present and former parent companies, subsidiaries, divisions, related or affiliated companies, shareholders, officers, directors, managers, members, principals, employees, partners, agents, attorneys, insurers, successors and assigns, legal representatives, and any individual or entity which could be jointly liable with Defendants, subject to the terms and conditions hereof and the approval of the Court.

RECITALS

A. WHEREAS, on or about March 31, 2020, Plaintiff sent a letter to the California Labor and Workforce Development Agency (“LWDA”) and to Defendants giving notice of his intent to pursue a representative action pursuant to the California Labor Code Private Attorneys General Act of 2004, codified at Labor Code § 2699 *et seq.* (“PAGA”), on behalf of himself and the State of California as well as on behalf of a proposed group of allegedly aggrieved employees. In the letter, Plaintiff claimed Defendants violated the Industrial Welfare Commission (“IWC”) Wage Orders, including but not limited to IWC Wage Order No. 5, and California Labor Code sections 201, 202, 203, 204, 204b, 210, 221, 222, 223, 225.5, 226, 226.3, 226.7, 350, 351, 352, 353, 354, 355, 356, 432, 510, 512, 558, 1102.5, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1198.5, 2698, 2800, and 2802;

B. WHEREAS, on or about June 5, 2020, Plaintiff commenced an action against Defendants in the Superior Court of the State of California for the County of San Diego, Case No. 37-2020-00019008-CU-OE-CTL, entitled *Dante Angotti, on behalf of the State of California and all aggrieved employees v. Azul Hospitality Group, LLC; Azul Hospitality Management, LLC; Azul Hospitality, LLC; Azul Hospitality-Broadway, LLC; Azul Hospitality-Glendale, LLC; Azul Hospitality-North Bay, LLC; Azul Hospitality-Paso Robles, LLC; Azul Hospitality-PH, LLC; Azul Hospitality-RB, LLC; Azul Hospitality-Sacramento, LLC; Azul Hospitality-SRSB, LLC; Azul Hospitality-Gaslamp, LLC; and Does 1 through 20, inclusive* (the “Action”) alleging the following cause of action: (1) Civil Penalties Under the Private Attorneys General Act of 2004 (Labor Code § 2698 *et seq.*);

C. WHEREAS, on February 18, 2021, the Parties participated in a private mediation session with mediator Todd Smith. Although the Parties did not reach a resolution during the mediation, they continued their negotiations and, shortly thereafter, reached the terms of a proposed settlement with respect to the PAGA Members;

D. WHEREAS, on April 9, 2021, Plaintiff sent a supplemented notice to the LWDA describing additional claims under the PAGA on behalf of allegedly aggrieved employees.

E. WHEREAS, Defendants deny any liability or wrongdoing of any kind associated with the claims alleged in the Action and deny that the lawsuit is appropriate for representative treatment for any purpose other than settling this Action. Defendants contend, among other things, that they have complied at all times with the California Labor Code and all other state and federal wage laws. Defendants deny and continue to deny each and every material factual allegation and alleged claim asserted against them in the Action;

F. WHEREAS, the Parties desire to fully and finally resolve, settle, compromise, and discharge all differences and controversies between and among themselves, so as to avoid any further disputes, costs, inconveniences, or expenses of litigation;

G. WHEREAS, the Parties have already entered into a Confidential Settlement Agreement in full satisfaction of Plaintiff's individual claims against Defendants ("Individual Settlement Agreement");

H. WHEREAS, this Agreement relates solely to the PAGA claim raised by Plaintiff and the PAGA Members whom Plaintiff purports to represent in the Action. For purposes of this settlement, the "PAGA Members" are defined as: all individuals employed by Defendants as non-exempt employees in California from March 31, 2019 through March 31, 2021 (the "PAGA Members"); and

I. WHEREAS, because Plaintiff alleges claims under PAGA, the Parties acknowledge this Agreement must be approved by the San Diego Superior Court. Accordingly, the Parties enter into this Agreement on a conditional basis subject to the terms and conditions below and subject to Court approval.

AGREEMENT

NOW, THEREFORE, in consideration of the promises and mutual agreements hereinafter set forth, it is hereby agreed by and among the Parties as follows:

1. Incorporation of Recitals. The above recitals are incorporated herein by this reference and are hereby made part of this Agreement.

2. Total Settlement Amount. As consideration for the settlement described herein and the release contained in this Agreement, Defendants agree to pay the total sum of One Hundred Eighty-Five Thousand Dollars and Zero Cents (\$185,000.00) ("Total Settlement Amount"), subject to approval of the Court. The Total Settlement Amount includes all Individual Settlement Awards to PAGA Members, the Settlement Administration Costs, the Plaintiff's Counsel Award, and the PAGA Payment to the LWDA.

3. Funding and Allocation of Total Settlement Amount.

3.1 Defendants shall pay the Total Settlement Amount to the Settlement Administrator within fourteen (14) calendar days of the Effective Date. The Effective Date of the Settlement refers to the latest of the following dates: (1) if no appeal is filed, 61 days after the court enters an Order approving the PAGA Settlement and Judgment; or (2) if an appeal from the Order Granting Approval of PAGA Settlement and Judgment is filed, the date the appeal is dismissed or denied and the Order Granting Approval of PAGA Settlement and Judgment is affirmed and can no longer be subject to appellate review (the "Effective Date").

3.2 Defendants will not object to Plaintiff's Counsel's request for reasonable attorneys' fees for Plaintiff's Counsel's litigation and resolution of this Action (not to exceed 33.33% of the Total Settlement Amount), plus Plaintiff's Counsel's expenses and costs reasonably incurred in connection with the Action (not to exceed \$15,000.00) ("Plaintiff's Counsel Award"). Plaintiff's Counsel Award shall be paid from the Total Settlement Amount.

3.3 The Parties agree to allocate not more than \$15,000.00 toward Settlement Administration Costs, for the reasonable costs and fees of administration of this Settlement to be paid from the Total Settlement Amount, including but not limited to: (i) preparing and submitting to PAGA Members, the Parties, and government entities all appropriate tax filings and forms; (ii) computing the amount of and distributing Individual Settlement Awards, the Plaintiff's Counsel Award, and the LWDA Payment; (iii) receiving, processing, and resolving any inquiries, and/or disputes from PAGA Members regarding their pay periods; and (iv) preparing and submitting filings required by law in connection with the payments required by the Settlement. The Settlement Administrator is permitted to withhold its Settlement Administration Costs from the Total Settlement Amount at any time after Defendants' funding of the Total Settlement Amount.

3.4 The Net Settlement Amount is the amount remaining after deducting the Plaintiff's Counsel Award and the Settlement Administration Costs from the Total Settlement Amount. The Net Settlement Amount shall be paid, pursuant to PAGA, as follows: Seventy-five percent (75%) shall be paid to the California Labor and Workforce Development Agency ("LWDA Payment"), and twenty-five percent (25%) shall be distributed to the PAGA Members on a pro rata basis, based upon their respective number of pay periods. The payment to the LWDA shall be made within ten (10) calendar days of Defendants' funding of the Total Settlement Amount.

4. Individual Settlement Awards.

4.1 PAGA Members shall not be required to submit a claim in order to receive an Individual Settlement Award, and no portion of the Total Settlement Amount shall revert to Defendants or result in an unpaid residue. If the Settlement is not approved by the Court in full, or is terminated, rescinded, canceled, or fails to become effective for any reason, then no portion of the Total Settlement Amount shall be paid.

4.2 Each PAGA Member will receive an Individual Settlement Award. Individual Settlement Awards shall be paid from the Net Settlement Amount pursuant to the formula set forth herein. The Individual Settlement Awards shall be mailed by the Settlement Administrator as set forth below in Section 6.1.

4.3 Individual Settlement Award payments shall be made by check and shall be made payable to each PAGA Member as set forth in this Agreement.

4.4 For tax purposes, one hundred percent (100%) of each Individual Settlement Award shall be allocated as penalties and shall not be subject to payroll tax withholdings. The Settlement Administrator shall issue an IRS Form 1099 to each PAGA Member for the portion of his or his Individual Settlement Award.

4.5 If any Individual Settlement Award check remains uncashed after one hundred and twenty (120) calendar days from the date the check is issued, such check(s) will be voided by the Settlement Administrator. Thereafter, the funds represented by any uncashed or undeliverable checks shall be distributed to The Legal Aid Society of San Diego.

4.6 It is expressly understood and agreed that the receipt of Individual Settlement Awards shall not entitle any PAGA Member to additional compensation or benefits under any compensation or benefit plan or agreement in place during the period covered by the Settlement. It is the intent of the Parties that Individual Settlement Awards provided for in this Agreement are the sole payments to be made by Defendants to PAGA Members in connection with this Settlement, and that PAGA Members are not entitled to any new or additional compensation or benefits as a result of having received the Individual Settlement Awards. Furthermore, the receipt of Individual Settlement Awards by PAGA Members shall not, and does not, by itself establish any general, special, or joint employment relationship between and among the PAGA Members and Defendants.

5. Plaintiff's Counsel Award. Subject to Court approval, Plaintiff's Counsel will seek an award of reasonable attorneys' fees in an amount not to exceed 33.33% of the Total Settlement Amount, or Sixty-One Thousand Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$61,666.67). In addition, Plaintiff's Counsel will also seek an award of litigation costs and expenses associated with Plaintiff's Counsel's prosecution of the Action in an amount not to exceed Fifteen Thousand Dollars (\$15,000.00). Plaintiff's Counsel Award shall be paid from the Total Settlement Amount. Plaintiff's Counsel shall be paid any Court-awarded attorneys' fees and costs within ten (10) calendar days of Defendants' funding of the Total Settlement Amount. Plaintiff's Counsel will be solely and legally responsible to pay all applicable taxes on the Plaintiff Counsel Award. The Settlement Administrator will issue an IRS Form 1099 to Plaintiff's Counsel for the Plaintiff's Counsel Award. Plaintiff's Counsel will provide the Settlement Administrator with a completed IRS Form W-9 in order for the Settlement Administrator to process the Plaintiff's Counsel Award. In the event that the Court reduces or does not approve the requested attorneys' fees and/or litigation costs to Plaintiff's counsel, Plaintiff shall not have the right to revoke the Settlement or appeal the Order Granting Approval of PAGA Settlement and Judgment. To the extent the Court approves less than the amount requested for the Plaintiff's Counsel Award, the difference between the requested and awarded amounts will be reallocated to the Net Settlement Amount.

6. Settlement Administration.

6.1 Within ten (10) calendar days of the Effective Date, Defendants will compile and provide in electronic form to the Settlement Administrator, who shall be mutually selected by the Parties, the following information concerning the PAGA Members: (1) full name; (2) last known home address and telephone number; (3) dates of employment during the PAGA Period, which is defined as March 31, 2019 through March 31, 2021; and (4) Social Security Number. The Settlement Administrator shall run all the addresses of PAGA Members through the United States Postal Service National Change of Address database (which provides updated addresses for any individual who has moved in the previous four years who has notified the U.S. Postal Service of a forwarding address) to obtain current address information. The Settlement Administrator will agree to treat the list of PAGA Members as Confidential Information. Within ten (10) calendar days of Defendants' funding of the Total Settlement Amount, the Settlement Administrator will mail the Individual Settlement Awards to the PAGA Members by first class mail and will include a cover letter in the form attached hereto as Exhibit 1. The Settlement Administrator will perform an address follow-up on returned mail and will re-mail the Individual Settlement Awards to an updated address (if any) within three (3) business days of receipt of the returned mail. The Parties intend that reasonable, but not extraordinary, means are to be used to locate PAGA Members. If no other address is found, no further action is required.

6.2 As this is a settlement of a PAGA claim only, the Parties agree that the PAGA Members do not have the right to exclude themselves from the Settlement. Upon the Effective Date, the PAGA Members will be bound by the terms of the Settlement, regardless of whether they receive an Individual Settlement Award. The Parties further agree that, absent an order by the court granting leave to intervene, PAGA Members have no standing to object to or appeal the Settlement.

6.3 Seventy-five percent (75%) of the Net Settlement Amount constitutes the LWDA Payment. The remaining twenty-five percent (25%) of the Net Settlement Amount shall be divided among PAGA Members on a pro rata basis, based on the number of pay periods each PAGA Member was employed during the PAGA Period. The Individual Settlement Awards will be determined by dividing the 25% of the Net Settlement Amount attributable to the PAGA Members by the total number of pay periods for all PAGA Members, resulting in the Pay Period Value (i.e., $25\% \text{ of Net Settlement Amount} \div \text{Total Pay Periods} = \text{Pay Period Value}$). The Pay Period Value will then be multiplied by each PAGA Member's respective number of pay periods in order to yield the PAGA Member's Individual Settlement Award. In determining each PAGA Member's pay periods, Defendants' pay period data will be presumed to be correct, unless a PAGA Member proves otherwise by providing credible documentary evidence. All disputes concerning pay periods will be finally resolved and decided by the Settlement Administrator in a binding determination without hearing or right to appeal. The Settlement Administrator shall determine the eligibility for, and the amounts of, each Individual Settlement Award under the terms of this Agreement. The Settlement Administrator's determination of the eligibility for and amount of each Individual Settlement Award shall be binding upon the PAGA Members and the Parties.

6.4 The Parties agree to cooperate in the Settlement Administration process and to make all reasonable efforts to control and minimize Settlement Administration Costs.

6.5 The Settlement Administrator shall keep the Parties timely apprised of the performance of all settlement administrator responsibilities required by the Settlement.

6.6 The Parties have the right to monitor and review the administration of the Settlement to verify that the monies allocated under the Settlement are distributed in the correct amounts, as provided for in this Agreement. The contact information of the PAGA Members will not be made available to Plaintiff's counsel without written agreement of the Parties.

7. Reasonableness and Allocation of Settlement. The Parties believe that this is a fair, reasonable and adequate settlement of Plaintiff's PAGA Claim, and have arrived at this settlement through arms-length negotiations, taking into account all relevant factors, present and potential, including the legal issues involved, Defendants' ability to pay, and the uncertainty of trial. The Parties recognize and agree that the value of the claims in the PAGA Claim are difficult to determine with any certainty and are subject to differing calculations. The Parties hereby agree that the formula for allocating the Total Settlement Amount is reasonable and that the payments provided herein are designed to provide fair settlement with respect to the PAGA Claim.

8. Approval of Settlement. The Parties, by Joint Stipulation Requesting Approval of PAGA Settlement; and [Proposed] Order Granting Approval of PAGA Settlement and Judgment, shall apply for approval of this Agreement by the San Diego Superior Court in accordance with Labor Code section 2699(l) for purposes of effectuating this Agreement. Plaintiff's attorney agrees to provide the LWDA with a copy of this Agreement and the Joint Stipulation Requesting Approval of PAGA Settlement; and [Proposed] Order Granting Approval of PAGA Settlement and Judgment on the same day as the filing of the same in the San Diego Superior Court. In addition, Plaintiff's attorney will submit a copy of the Order Granting Approval of PAGA Settlement and Judgment to the LWDA within ten (10) days of the date of its entry, as required by Labor Code section 2699(l)(3).

8.1 If, for any reason, the Court declines to approve this Agreement, the Parties agree to use their best efforts to address the issues raised by the Court and renew their request for court approval. If, for any reason, the Court does not ultimately approve this Agreement, this Agreement shall be null and void, and shall not be referred to or utilized for any purpose. In that event, Defendants shall have no obligation to make any payment under this Agreement or the Individual Settlement Agreement with Plaintiff. Defendants also do not waive but rather expressly reserve all rights to challenge Plaintiff's PAGA claims and allegations on all procedural and factual grounds, and to assert all applicable defenses if this Agreement is not approved by the Court.

8.2 In the event an appeal is filed from the Court's Order Granting Approval of PAGA Settlement and Judgment, or any other appellate review is sought, administration of the Settlement shall be stayed pending final resolution of the appeal or other appellate review.

9. Tax Treatment. The Parties make no representations as to the tax treatment or legal effect of the payments specified herein, and PAGA Members are not relying on any statement or representation by the Parties, Plaintiff's Counsel, or Defendants' Counsel in this

regard. Plaintiff and PAGA Members will be responsible for the payment of all taxes and penalties assessed on the payments specified herein and agree to indemnify Defendants and hold Defendants harmless from any liability, including, but not limited to, penalties imposed by the IRS or other government agency, resulting from the characterization and reporting of payments made pursuant to this Agreement.

CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS AGREEMENT ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) PLAINTIFF (A) HAS RELIED EXCLUSIVELY UPON HIS OWN, INDEPENDENT LEGAL AND TAX ADVISERS FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON HIM; AND (3) NO ATTORNEY OR ADVISOR TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISOR'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY PLAINTIFF OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

10. Attorneys' Fees and Costs. The Parties agree that this Agreement resolves any claim for attorneys' fees and costs incurred in the Action or otherwise as between Plaintiff, on the one hand, and Defendants, on the other. The Parties shall each bear their own attorneys' fees and costs.

11. Scope of Release of Claims.

11.1 In consideration for Defendants entering into this Agreement, Plaintiff, on behalf of himself and the State of California, and the PAGA Members as defined above, fully release and discharge Defendants and any present and former parent companies, subsidiaries, divisions, related or affiliated companies, shareholders, officers, directors, managers, members, principals, employees, partners, agents, attorneys, insurers, successors and assigns, legal representatives, and any individual or entity which could be jointly liable with Defendants (the "Released Parties"), from any and all claims, causes of action, debts, liabilities, demands, damages, penalties, costs, and attorneys' fees, whether known or unknown, contingent or vested, arising from or based on a claim for civil penalties under the Labor Code Private Attorneys General Act of 2004 ("PAGA") for any violations of the Labor Code or IWC Wage Orders that were alleged by Plaintiff in the Action, or that could have been alleged based on the facts asserted in the Action, as well as any based on the alleged violations of the Labor Code or IWC Wage Orders asserted in

any of Plaintiff's notices to the LWDA, including but not limited to claims for the alleged failure to provide meal breaks, rest periods, accurate itemized wage statements and waiting time penalties; failure to compensate for all hours worked, including overtime; failure to pay all tips and maintain accurate records of tips; failure to maintain required records; and failure to timely pay wages during employment and upon separation (the "Released Claims"), during the PAGA Period.

11.2 Plaintiff understands and agrees that the Released Claims include not only claims presently known to Plaintiff, but also include all unknown or unanticipated claims, rights, demands, actions, obligations, liabilities, and causes of action of every kind and character that would otherwise come within the scope of the released claims, as described in Section 11.1.

11.3 Plaintiff expressly agrees not to bring or prosecute a representative action under PAGA against Defendants for any claim that could have been raised in this action at any time in the future.

11.4 Plaintiff understands that he may hereafter discover facts different from what he now believes to be true, which if known, could have materially affected this Agreement, but he nevertheless waives any claims or rights based on different or additional facts. Plaintiff knowingly and voluntarily waives any and all rights or benefits that he may now have, or in the future may have, under the terms of Section 1542 of the California Civil Code, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

To the extent it is applicable, the State of California and the PAGA Members also waive the protections of section 1542.

11.5 The Parties hereto represent and warrant that they have the authority to enter into this Agreement on their own behalf and to bind all persons or entities who may claim through them.

12. No Admission of Liability. Defendants deny all claims alleged in this Action and deny any wrongdoing whatsoever. Defendants also deny that this Action is appropriate for representative treatment. Neither this Agreement, nor any of its terms and conditions, nor any of the negotiations connected with it, is a concession or admission, and none shall be used against Defendants as an admission or indication with respect to any claim of any fault, concession, or omission by Defendants. The Parties have entered into this Agreement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and risks. The Parties agree that this Agreement will not be admissible in this or any other proceeding as evidence that Defendants are liable to Plaintiff or any PAGA Member, other than according to the terms of this Agreement and the Individual Settlement Agreement.

13. Jurisdiction of the Court. Following entry of the Order Granting Approval of PAGA Settlement and Judgment, the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders and judgments entered in connection therewith, and the Parties, Plaintiff's Counsel and Defense Counsel submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Agreement and all orders and judgments entered in connection therewith.

14. Supplemental LWDA Notice and First Amended Complaint. Prior to seeking court approval of the Settlement, Plaintiff shall submit an amended notice to the LWDA adding the following Labor Code sections: 200, 232, 232.5, 227.3, 246, 404, and 2810.5. After the requisite period, Plaintiff will then file a First Amended Complaint to add the following Labor Code sections: 200, 204b, 210, 221, 222, 223, 225.5, 232, 232.5, 227.3, 246, 350, 352, 354, 355, 356, 404, 432, 1182.12, 1194.2, 1197, 1197.5, 1198.5, 2800, 2802, and 2810.5.

15. No Publicity. Neither Plaintiff nor Plaintiff's counsel shall issue a press release, hold a press conference, post on a website or social media about the Settlement, or otherwise publicize the Settlement.

16. General Provisions.

16.1 This Agreement has been reviewed by the Parties hereto and their respective attorneys, and the Parties have had a full opportunity to negotiate the contents hereof. The Parties hereto expressly waive any common law or statutory rule of construction that ambiguities should be construed against the drafter of this Agreement.

16.2 The Parties agree that this Agreement constitutes a compromise of and full accord and satisfaction of doubtful and disputed claims and shall not be treated as an admission of liability by anyone at any time, for any purpose.

16.3 The Parties to this Agreement agree to execute such other documents and to take such other action as may reasonably be necessary to implement the terms of this Agreement.

16.4 The Parties agree that this Agreement, along with the Individual Settlement Agreement, contain the entire agreement between them, contain full and the only consideration for the terms agreed to herein, and that the terms of this Agreement are contractual and not a mere recital.

16.5 The Parties agree that upon the occurrence of the entry of judgment or dismissal pursuant to the terms of this Agreement, this Agreement shall be enforceable by the Court pursuant to Code of Civil Procedure section 664.6, and the Court shall retain exclusive and continuing equity jurisdiction of this Action of all Parties to the fullest extent to interpret, enforce, and effectuate the terms, conditions, intents and obligations of the Agreement.

16.6 Should any court action be filed by either party as a result of the breach of this Agreement, the prevailing party in such action shall be entitled to full reimbursement of its attorneys' fees incurred in such action.

16.7 No waiver by any party hereto of any breach of this Agreement by any other party shall operate or be construed as a waiver of any other or subsequent breach. No waiver by any party hereto of any breach of this Agreement by any other party hereto shall be effective unless it is in writing and signed by the party claimed to have waived such breach.

16.8 This Agreement may be amended only by a written instrument executed by the Parties hereto.

16.9 Before declaring any provision of this Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable.

16.10 Should any court of competent jurisdiction determine that any term or provision of this Agreement is unenforceable, such term or provision shall be deemed to be deleted as though it had never been a part of this Agreement, and the validity, legality and enforceability of the remaining terms and provisions shall not be in any way affected or imperiled thereby.

16.11 The Parties agree to waive any and all rights they may have to appeal any judgment, ruling, or order made by the Court in this Action, including, without limitation, any order granting Approval of this Settlement or dismissing the Action with prejudice. Except, however, that either party may appeal any order that materially alters the Settlement's terms. The waiver of appeal also does not include any waiver of the right to oppose any appeal, appellate proceedings, or post-judgment proceedings.

16.12 This Agreement shall be construed in accordance with the laws of the State of California.

16.13 This Agreement may be signed in counterparts by the Parties, and if so executed, each counterpart shall have the full force and effect of an original. With respect to the execution of this Agreement, a facsimile or electronic copy of a signatory's signature shall suffice and be treated as an original signature.

IN WITNESS HEREOF, the Parties have executed this Agreement as of the date this Agreement is signed.

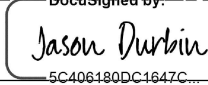
DATED: May 13, 2021

Dante Angotti
Plaintiff, DANTE ANGOTTI

5/4/2021

DATED: _____

**DEFENDANTS AZUL HOSPITALITY GROUP, LLC;
AZUL HOSPITALITY MANAGEMENT, LLC; AZUL
HOSPITALITY, LLC; AZUL HOSPITALITY-
BROADWAY, LLC; AZUL HOSPITALITY-
GLENDALE, LLC; AZUL HOSPITALITY-NORTH
BAY, LLC; AZUL HOSPITALITY-PASO ROBLES,
LLC; AZUL HOSPITALITY-PH, LLC; AZUL
HOSPITALITY-RB, LLC; AZUL HOSPITALITY-
SACRAMENTO, LLC; AZUL HOSPITALITY-SRSB,
LLC; AZUL HOSPITALITY-GASLAMP, LLC**

By:  _____
DocuSigned by:
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Jason Durbin
Senior Vice President

Approved As To Form:

DATED: _____

**FERRARO VEGA EMPLOYMENT LAWYERS,
INC.**

NICHOLAS J. FERRARO
LAUREN N. VEGA
Attorneys for Plaintiff
DANTE ANGOTTI

DATED: 5/10/2021

WILSON TURNER KOSMO LLP



LEONID M. ZILBERMAN
NICOLE R. ROYSDON
Attorneys for Defendants
AZUL HOSPITALITY GROUP, LLC; AZUL
HOSPITALITY MANAGEMENT, LLC; AZUL
HOSPITALITY, LLC; AZUL HOSPITALITY-
BROADWAY, LLC; AZUL HOSPITALITY-
GLENDALE, LLC; AZUL HOSPITALITY-NORTH
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LLC; AZUL HOSPITALITY-PH, LLC; AZUL
HOSPITALITY-RB, LLC; AZUL HOSPITALITY-
SACRAMENTO, LLC; AZUL HOSPITALITY-SRSB,
LLC; AZUL HOSPITALITY-GASLAMP, LLC

DATED: _____

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HOSPITALITY-RB, LLC; AZUL HOSPITALITY-
SACRAMENTO, LLC; AZUL HOSPITALITY-SRSB,
LLC; AZUL HOSPITALITY-GASLAMP, LLC**

By: _____

Jason Durbin
Senior Vice President

Approved As To Form:

DATED: May 10, 2021

**FERRARO VEGA EMPLOYMENT LAWYERS,
INC.**



NICHOLAS J. FERRARO
LAUREN N. VEGA
Attorneys for Plaintiff
DANTE ANGOTTI

DATED: _____

WILSON TURNER KOSMO LLP

LEONID M. ZILBERMAN
NICOLE R. ROYSDON
Attorneys for Defendants
AZUL HOSPITALITY GROUP, LLC; AZUL
HOSPITALITY MANAGEMENT, LLC; AZUL
HOSPITALITY, LLC; AZUL HOSPITALITY-
BROADWAY, LLC; AZUL HOSPITALITY-
GLENDALE, LLC; AZUL HOSPITALITY-NORTH
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HOSPITALITY-RB, LLC; AZUL HOSPITALITY-
SACRAMENTO, LLC; AZUL HOSPITALITY-SRSB,
LLC; AZUL HOSPITALITY-GASLAMP, LLC

EXHIBIT 1

<<DATE>>

<<FIRST NAME>> <<LAST NAME>>
<<ADDRESS>>

Re: Payment from *Angotti v. Azul Hospitality Group, LLC, et al.*, San Diego County Superior Court, Case No. 37-2020-00019008-CU-OE-CTL

Dear <<FIRST NAME>> <<LAST NAME>>:

Enclosed you will find a check made payable to you. This is your payment from the settlement of the lawsuit entitled *Angotti v. Azul Hospitality Group, LLC, et al.*, Case No. 37-2020-00019008-CU-OE-CTL (San Diego County Superior Court) (the “Action”). This is a portion of civil penalties payable to you under the California Private Attorneys General Act of 2004 (“PAGA”).

Named Plaintiff brought the Action on behalf of the State of California and all individuals employed by Defendants as non-exempt employees in California from March 31, 2019, through March 31, 2021. You have been identified as one of the individuals on whose behalf the case was brought.

The Named Plaintiff in the Action claimed that Defendants owed penalties under PAGA for alleged violations of the California Labor Code and the Industrial Welfare Commission Wage Orders. Defendants maintain they complied with the Labor Code and Wage Orders at all times and that their employees were compensated in accordance with the law, and further deny any wrongdoing or that they owe any penalties. To resolve the dispute without further risk, expense, and litigation, the parties have settled the case. By settling this case, Defendants are not admitting they have done anything wrong.

The Court has not ruled on the merits of the lawsuit, but it has approved the settlement amount the parties agreed to. Pursuant to the settlement, enclosed is a check for your share of a portion of the civil penalties. You are not a party to this lawsuit, but you and the government will be bound by the judgment in this matter as to civil penalties, regardless of whether you cash or deposit the enclosed check.

Please do not call the Court to ask questions about the settlement. If you have any questions, you may contact the Settlement Administrator at [INSERT CONTACT INFO].