

SETTLEMENT AND GENERAL RELEASE AGREEMENT

This Settlement and General Release Agreement (“Agreement”) is entered into by and between Angela Steelman (“Plaintiff”), on the one hand, and 3515 Houston Hospitality LLC (“3515”), 5774 Melrose Hospitality LLC, Johnnie Houston, and Mark Houston (collectively, “Defendants”), on the other hand, as of February 9, 2023. Plaintiffs and Defendant are collectively referred to as the “Parties” in the Agreement and individually as a “Party” to the Agreement.

RECITALS

WHEREAS, Plaintiff was previously employed by 3515 and has asserted various claims (“Claims”) against Defendants arising in connection with her former employment with 3515 (“Plaintiffs’ Employment”), including but not limited to those claims set forth in the matter of *Angela Steelman vs. 3515 Houston Hospitality, LLC et al.*, Los Angeles County Superior Court Case No. 20STCV36213 (“Action”).

WHEREAS, Plaintiff and Defendants wish to resolve any and all claims, disputes, and controversies that have arisen or that could arise relating to Plaintiff’s Employment (or the cessation thereof).

WHEREAS, none of the Parties makes any admission as to fault or liability.

WHEREAS, the Parties, by entering this Agreement, intend to resolve and compromise any and all claims, matters, and disputes between them.

TERMS

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements set forth below, the Parties, intending to be legally bound, do hereby voluntarily and freely agree to the following terms and conditions, which shall be effective as of the date the Parties have signed this Agreement (“Effective Date”):

1. Mutual Releases.

a. **Release by Plaintiff:** In consideration of the mutual promises set forth herein, and subject to Defendant’s full payment of the Settlement Payment Obligation, Plaintiff hereby forever releases and discharges Defendants and any and all of Defendants’ respective spouses, agents, servants, consultants, officers and directors, owners, members, managers, shareholders, affiliated entities (including but not limited to The Line Hotel), predecessors, successors, assigns, assignors, heirs, executors, administrators, attorneys and independent contractors (collectively, the “Defendant Releasees”), jointly and severally, from any and all claims, causes of action, demands, controversies, actions, obligations, liabilities, costs, expenses, attorneys’ fees and damages of whatever character, nature and kind, in law or in equity, past, present or future, known and unknown, suspected or unsuspected, direct or indirect, from the beginning of time to the Effective Date, including but not limited to the Claims, any and all claims, causes of action, demands, controversies, actions, obligations, liabilities, costs, expenses, attorneys’ fees and damages arising out of or related to Plaintiffs’ Employment (or the cessation thereof), save and except only for the obligations, liabilities and rights created or preserved by this Agreement.

b. **Release by Defendants:** In consideration of the mutual promises set forth herein, Defendants hereby forever release and discharge Plaintiff and any and all of Plaintiffs’

respective spouses, agents, servants, employers, employees, affiliates, predecessors, successors, assigns, assignors, heirs, executors, administrators, attorneys, and independent contractors (the "Plaintiff Releasees"), jointly and severally, from any and all claims, causes of action, demands, controversies, actions, obligations, liabilities, costs, expenses, attorneys' fees and damages of whatever character, nature and kind, in law or in equity, past, present or future, known and unknown, suspected or unsuspected, direct or indirect, from the beginning of time to the Effective Date, including but not limited to the Claims, any and all claims, causes of action, demands, controversies, actions, obligations, liabilities, costs, expenses, attorneys' fees and damages arising out of or related to Plaintiffs' Employment (or the cessation thereof), save and except only for the obligations, liabilities and rights created or preserved by this Agreement.

2. Settlement Payments.

a. Defendants shall pay Plaintiff the total sum of \$35,000 (the "Settlement Payment Obligation") within 60 days of the Effective Date. Payment shall be delivered to Plaintiffs' counsel of record in the Action at Gaines & Gaines, APLC, 4550 E. Thousand Oaks Blvd., Suite 100, Westlake Village, California, 91362 and made payable to the Gaines & Gaines APLC Client Trust Account. There shall be no tax or other withholdings from the Settlement Payment Obligation.

3. Notice of Settlement; Dismissal of Claims. Within five (5) business days of the Defendant's Settlement Payment Obligation payment, Plaintiff shall file a Request for Dismissal *with prejudice* in the Action (with the exception of the Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698 *et seq.* ("PAGA") claims, which shall be dismissed *without prejudice*) and shall promptly serve a conformed copy of such dismissal upon Defendants. Plaintiff shall also make all submissions as necessary to the LWDA as required by PAGA reflecting this settlement, including an unredacted copy of this Agreement. Plaintiff will submit a redacted version of this Agreement in conjunction with the Request for Dismissal. Should the Court require the Agreement be unredacted, Plaintiff will submit it *in camera* or under seal, unless the Court orders otherwise.

4. Enforceability. If any provision of this Agreement is held to be unenforceable, it shall be stricken from the Agreement and the remainder of the Agreement shall be fully enforceable. In any court action to interpret or enforce the terms of this Agreement, the Parties agree that the Agreement is admissible pursuant to Evidence Code § 1123, and that it will be lodged in camera under seal unless the court orders otherwise. The Parties agree that reasonable attorneys' fees and costs shall be awarded to the prevailing party in a court action to interpret or enforce the terms of this Agreement.

5. Tax Payments and Indemnification. A Form 1099 reflecting the settlement payments made by Defendants pursuant to this Agreement shall be provided to Plaintiffs' counsel, by Defendants. Plaintiff agrees that she shall be solely responsible for any taxes due as a result of the settlement payments made by Defendants pursuant to this Agreement, and agrees to indemnify and hold harmless Defendants for any tax penalties or other charges incurred as a result of any failure on Plaintiffs' part to pay the required taxes for such settlement payments, if any.

6. Waiver of Cal. Civ. Code § 1542.

a. This Agreement is intended as a full settlement and compromise of each, every, and all of the claims, matters and disputes between the Parties. Each of the Parties is aware

of, and has been advised by its counsel regarding, the provisions of California Civil Code Section 1542, which is set forth below, and waives any (i) rights that this section may provide to it with respect to any and all claims, matters and disputes between the Parties, and (ii) application that this section (or any law of similar effect in any other state, country, territory or jurisdiction) may have to the releases in this Agreement. California Civil Code Section 1542 provides: *A general release does not extend to exclaims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.*

b. The Parties, and each of them, acknowledge and understand the significance and consequence of this waiver and hereby assume full responsibility for any injuries, damages, or losses that they may sustain by reason of this waiver. This waiver is hereby acknowledged to be a material term of this Agreement. Notwithstanding the generality of the foregoing, nothing contained in this Agreement will release the Parties from liability arising from any breach of the obligations under the Agreement.

7. **Representations and Rehire.** Defendants shall respond only to written inquiries regarding Plaintiff's employment with Defendants, and shall provide no information regarding Plaintiff's employment other than dates of active employment and last position held, and shall state that Defendants' policy precludes it from providing any further information. Plaintiff shall not seek and shall not be eligible for re-employment with Defendants or any bar or other entity affiliated with Defendants.

8. **Confidentiality and Non-disparagement.**

a. **Confidentiality of Agreement.** The Parties agree that they will not disclose the contents, terms, or circumstances of this Agreement, or any of the underlying communications and negotiations in connection with this settlement and Agreement, to any person, provided, however that the Parties may respond accurately and fully to any question, inquiry, or request for information when (i) required by legal process or (ii) in connection with communications with professionals, such as accountants and lawyers after first securing their agreement to adhere to terms stated in this confidentiality provision. If asked about the dispute by any third party, the Parties may say only that "the matter has been resolved." By execution of this Agreement, each of the Parties also directs its counsel to adhere to its terms as stated in this confidentiality provision. The Parties' counsel agree that they will not disclose the existence of the Parties' dispute or this settlement to any third person and that they will not publicize it in any forum or form. However, in connection with the dismissal of the Action, Plaintiff will submit this Agreement in conjunction with the Request for Dismissal. Pursuant to PAGA, Plaintiff will also submit this unredacted Agreement to the LWDA. The foregoing is a material provision of this Agreement and constitutes a significant portion of the consideration of the Defendants' entry into this Agreement.

b. **Mutual Non-Disparagement.** Each of the Parties agrees that it will not take any action or make any statements, verbal or written, to any third-party that disparages or defames the other Party, or that may be harmful in any way to the business or personal reputation of the other Party; provided, however that the Parties may respond accurately and fully to any question, inquiry, or request for information when required by legal process or in connection with communications with professionals, such as accountants and lawyers. By execution of this

Agreement, each of the Parties also directs its counsel, accountants, and other professional advisors to adhere to terms as stated in this non-disparagement provision. The foregoing is a material provision of this Agreement and constitutes a significant portion of the consideration of the Defendants' entry into this Agreement.

c. **Liquidated Damages.** Each of the Parties acknowledges that it would be difficult, if not impossible, to ascertain the actual damages suffered by another Party as a result of a Party's breach of the warranties, representations, covenants and agreements contained in this section of the Agreement. Therefore, in the event that a Party proves by a preponderance of evidence that another Party has violated any of the material provisions set forth in this section, the breaching Party shall pay to the Parties on the other side of this Agreement the sum of Five Thousand Dollars (\$5,000) per violation as liquidated damages, and not as a penalty. (For example, if Plaintiff breaches the confidentiality or non-disparagement covenants contained in this section, Plaintiff will pay to the three Defendants jointly and severally the total sum of \$5,000 for each breach. Similarly, if one of the Defendants breaches one of the confidentiality or non-disparagement covenants contained in this section, that Defendant will pay Plaintiff \$5,000 per breach.). The liquidated damages specified herein constitute the exclusive remedy for monetary damages in the event of a breach, but the Parties hereby reserve all other potential non-monetary remedies, including injunctive relief. The liquidated damages specified herein do not apply to counsel.

9. Resolution of Disputes.

a. Except to interpret or enforce the terms of this Agreement, arbitration shall be the exclusive method for resolving any dispute arising in connection with this Agreement. Disputes shall be submitted to and resolved by final and binding arbitration as provided for by the California Arbitration Act, California Code of Civil Procedure, §§ 1280, *et seq.*, and both Plaintiff and Defendants hereby acknowledge that they are giving up any right that they might otherwise have to have a judge or jury decide any such dispute; provided, however, that any Party may request equitable relief, including but not limited to injunctive relief, from a court of competent jurisdiction.

b. The Parties shall select a single neutral arbitrator by mutual agreement. If they are unable to agree on a neutral arbitrator, the Party or Parties on the side of the dispute seeking arbitral relief (the "Complaining Side") shall obtain a list of seven (7) qualified arbitrators from JAMS, Inc. in Los Angeles, California. The two sides of the dispute shall alternately strike names from the list, with the Complaining Side striking the first name, until only one name remains. The remaining person shall be the arbitrator.

c. Arbitration proceedings will be held in Los Angeles County, California at a location mutually convenient to the Parties. If the Parties are unable to agree on a location, the selected arbitrator shall select the arbitration location. The Parties retain the rights to conduct all discovery as provided for in the California Arbitration Act, and the arbitrator shall have the power to decide any discovery disputes between the parties.

10. Binding Effect. This Agreement governs the rights of, binds, and inures to the benefit of all Parties hereto, and their past, present, and future respective agents, attorneys,

partners, trusts, representatives, spouses, heirs, executors, administrators, beneficiaries, successors, and assigns.

11. Enforcement and Continuing Jurisdiction of the Court. Pursuant to the Parties' agreement, this Settlement Agreement will be approved by the Court and will be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6 and as otherwise allowed by law. This Court will have and retain continuing jurisdiction over the Action and over all Parties and the Aggrieved Employees, to the fullest extent necessary or convenient to enforce and effectuate the terms and intent of this Settlement Agreement and all matters provided for in it, and to interpret it.

12. Representation by Counsel. This Agreement is entered into freely and voluntarily. The Parties hereto acknowledge that they have been represented by counsel of their own choice in the negotiations that preceded the execution of this Agreement, and in connection with the preparation and execution of this Agreement. The Parties acknowledge that no person, including but not limited to a Party or agent or attorney of a Party, has made any promise, representation, or warranty, express or implied, not contained in this Agreement, to induce the other Party to execute this Agreement. Each Party has read this Agreement carefully, accepts and agrees to the provisions it contains, and executes this Agreement voluntarily with full knowledge of its significance and with full understanding of its legal consequences.

13. No Admission of Liability. Plaintiff understands that Defendants wholly deny the allegations raised by Plaintiff against Defendants in the Action, and that nothing contained herein shall be deemed to be an admission by Defendants of any obligation or liability concerning the subject matter of this Agreement.

14. Entire Agreement. This Agreement constitutes the entire agreement between the Parties relating to the settlement of any disputes and obligations among them. This Agreement supersedes all prior agreements and/ or obligations between the Parties with respect to the subject matter hereof, all of which are merged into this Agreement.

15. Applicable Law and Venue. This Agreement shall be construed under and shall be deemed to be governed by the laws of the State of California, without giving effect to any principles of conflicts of law if such principles could operate to construe this Agreement under the laws of any other jurisdiction. Any dispute arising under this Agreement shall be brought in Los Angeles County, California.

16. Modification. No supplement, modification, waiver, or amendment with respect to this Agreement shall be binding unless executed in writing by the Party against whom enforcement of such supplement, modification, waiver, or amendment is sought.

17. Severability. If any provision of this Agreement is declared by any court of competent jurisdiction to be invalid for any reason, such invalidity shall not affect the remaining provisions of this Agreement, which shall be fully severable, and given full force and effect.

18. Counterparts. This Agreement may be signed in counterparts by the Parties hereto and shall be valid and binding on each Party as if fully executed all on one copy. Facsimile or

scanned signatures shall be deemed originals.

19. Authority. The Parties each warrant and represent that they have the authority to execute this Agreement, that they have not assigned, conveyed, granted, transferred, or otherwise disposed of any of the claims released pursuant to this Agreement and that they enter into this Agreement knowingly and voluntarily, with full understanding of its terms.

20. Drafting. This Agreement shall be deemed to have been drafted jointly by the Parties hereto. Any uncertainty or ambiguity shall not be construed for or against any Party based on attribution of drafting to that Party.

21. Attorneys' Fees. In the event that any Party to this Agreement asserts a claim for breach of this Agreement or seeks to enforce its terms, the prevailing Party in any such proceeding shall be entitled to recover all costs (including any arbitration costs) and reasonable attorneys' fees.

22. Notices. All written notices, requests, demands, or other communication provided pursuant to this Agreement shall be sent via email and via certified mail or overnight mail (postage prepaid, return receipt requested) to the following attention:

If to Plaintiffs:

Daniel F. Gaines
Alex P. Katofsky
Gaines & Gaines, APLC
4550 East Thousand Oaks Boulevard, Suite 100
Westlake Village, CA 91362
Email: daniel@gaineslawfirm.com
alex@gaineslawfirm.com

If to Defendants:

D. Jay Ritt
Ritt Hodges, LLP
65 North Raymond Ave., Suite 320
Pasadena, California 91103
Email: ritt@rtthlaw.com

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS THEREOF, the undersigned have executed the Confidential Settlement Agreement as of the last date set forth below.

DATED: 02 / 28 / 2023 _____

By:  _____
ANGELA STEELMAN

DATED: _____

3515 HOUSTON HOSPITALITY LLC

By: Jonnie Houston, Managing Member

DATED: _____

5774 MELROSE HOSPITALITY LLC

By: Jonnie Houston, Managing Member

DATED: _____

By: _____
JONNIE HOUSTON, an individual

DATED: _____

By: _____
MARK HOUSTON, an individual

IN WITNESS THEREOF, the undersigned have executed the Confidential Settlement Agreement as of the last date set forth below.

DATED: _____

By: _____
ANGELA STEELMAN

DATED: 3/1/2023

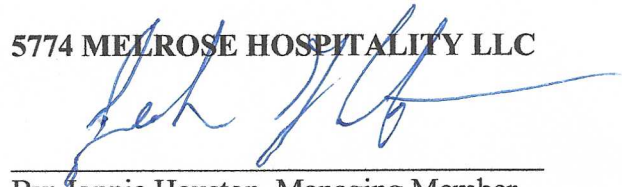
3515 HOUSTON HOSPITALITY LLC



By: Jonnie Houston, Managing Member

DATED: 3/1/2023

5774 MELROSE HOSPITALITY LLC

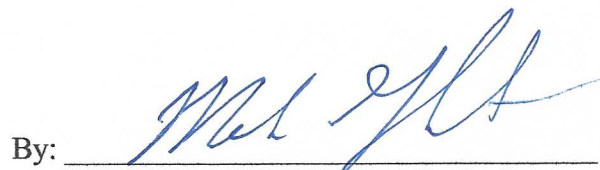


By: Jonnie Houston, Managing Member

DATED: 3/1/2023

By: 
JONNIE HOUSTON, an individual

DATED: 2/27/2023

By: 
MARK HOUSTON, an individual

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SENT

02 / 28 / 2023

19:31:10 UTC

Sent for signature to Angela Steelman
(angelasteelman84@gmail.com) from office@gaineslawfirm.com
IP: 47.181.216.90



VIEWED

02 / 28 / 2023

19:57:27 UTC

Viewed by Angela Steelman (angelasteelman84@gmail.com)
IP: 99.59.255.117



SIGNED

02 / 28 / 2023

20:03:41 UTC

Signed by Angela Steelman (angelasteelman84@gmail.com)
IP: 99.59.255.117



COMPLETED

02 / 28 / 2023

20:03:41 UTC

The document has been completed.