

As many in our community know, Local Cantina was recently sued by an employee who is now seeking to make that lawsuit a class action. The allegation is we did not comply with certain tip and overtime standards. I fully respect people sticking up for themselves and their rights if someone tries to do them wrong, but I admit that I am surprised this lawsuit was filed.

Like the majority of businesses in the country, we have had huge challenges this year. When the Governor ordered the closure of all dine-in establishments and bars on March 15<sup>th</sup>, we were forced to furlough almost four hundred people and close several locations. These aren't just numbers on a page, these are the people I see and interact with every day. They are the driving force behind our company, and without them we could never truly succeed. My primary concern was the well-being of our staff. How will they put food on the table? How can we help them?

When the federal program money became available, we took a hard look at how best to bring our employees back from unemployment and to partially re-open business. We knew that the concerns over health and safety, and the amount of unemployment money available, would prove a disincentive to return to work. So, we set in motion a plan to keep everyone as safe as possible and to pay every employee more than they were making on unemployment, and more than was made pre-pandemic, for the same amount of work.

We achieved our goal. Our safety standards, while at times difficult to enforce with our guests, are rigorous and everyone on our team has definitely made more money. In most cases they've made substantially more money than they were making before. We were, and are, proud of paying them more money, our goal was to help people.

However, as the saying goes, no good deed goes unpunished. I can say with confidence that every single staff member has financially benefited from the plan. We are reviewing the situation now, and it may be that we failed to comply with some technical aspect of the law. If that is the case, then that is my error. In no way would we ever short an employee's wage. I don't like making mistakes, but as a person, mistakes are inevitable. Most importantly, if I did make a technical error, the result of that error was that our team members made a lot more money for the same amount of work than they did pre-pandemic, and more money than was possible to make operating at a limited capacity. Finally, if this was a mistake, we will correct it.

On behalf of everyone at Local Cantina, I want to thank everyone for your continued support.

George Tanchevski Founder Local Cantina