

**PEOPLE OF THE STATE OF NEW YORK  
OFFICE OF THE ATTORNEY GENERAL  
LABOR BUREAU**

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**IN THE MATTER OF THE  
INVESTIGATION OF LETITIA  
JAMES, ATTORNEY GENERAL OF  
THE STATE OF NEW YORK**

**ASSURANCE OF  
DISCONTINUANCE**

**Assurance No. 26-041**

**OF**

**TOP LINE RESTAURANTS, INC.  
and REVEILLE MANAGEMENT,  
LLC**

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The Office of the Attorney General of the State of New York (“OAG”) has investigated Top Line Restaurant, Inc. (“Top Line”), and Reveille Management, Inc. (“Reveille”) (collectively, “Respondents”) pursuant to its authority under Executive Law §63(12) (herein after referred to as the “Matter” or “Investigation”).

The Investigation examined Respondents’ labor practices from approximately January 1, 2019 to April 30, 2026 (the “Relevant Period”) in their operation of 23 Denny’s restaurant franchise locations in upstate New York. In particular, the Investigation focused on concerns regarding Respondents’ failure to pay employees in accordance with New York State regulations concerning “spread of hours” pay. That is, Respondents failed to consistently pay employees an additional hour at the then in-effect minimum wage for each workday that spanned more than 10 hours a day from the beginning to the end.

This Assurance of Discontinuance (“Assurance”) contains OAG’s findings in connection with the Matter and the relief agreed to by OAG and Respondents (collectively, the “Parties”).

## **FINDINGS**

1. Top Line Restaurants, Inc. is a New York Corporation and Reveille Management, LLC is a New York Limited Liability Company. Both entities have their headquarters and principal place of business registered with the New York Department of State at 4757 Transit Rd, Depew, New York 14043.

2. Under franchise agreements with the Denny’s Corporation, Respondents conducted business at 23 Denny’s restaurant franchise locations, open 24 hours a day, in upstate New York during some or all of the Relevant Period.<sup>1</sup>

3. Respondents employed thousands of New Yorkers during the Relevant Period, including as cooks, dishwashers, servers, hosts and supervisors.

4. Some of these employees worked long workdays, which spanned more than 10 hours a day from the beginning to the end of their workday.

5. New York State law required Respondents to pay employees an extra hour of pay at the then-in-effect minimum wage, as provided by the Hospitality Industry Wage Order promulgated by the New York Department of Labor in 2011.

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<sup>1</sup> The 23 stores are store numbers: 8116; 8117; 8118; 8119; 8121; 8122; 8123; 8124; 8126; 8127; 8129; 8133; 8134; 8135; 8136; 8137; 8138; 8139; 8140; 8612; 8657; 8724; and 8782.

6. The Hospitality Industry Wage Order, codified at 12 NYCRR §146-1.6, applies to all workers in the hospitality industry, and entitles restaurant workers, such as Respondents' employees, to an additional hour of pay at the minimum wage rate for each day on which their spread of hours worked exceeds ten hours. The spread of hours represents the time elapsed between the start and end of an employee's workday, inclusive of meal breaks, rest periods, time between shifts, and other time off duty.

7. Respondents had no discretion whether or not to comply with the spread of hours requirement: they were, and remain, required to make this payment in every pay period when earned. Employees did not and do not need to request spread of hour payments, and Respondents are required to pay for spread of hours-qualifying days in the same week's paycheck.

8. Respondents, however, failed to consistently pay spread of hours pay.

9. Instead, Respondents paid spread of hours pay inconsistently.

10. Moreover, throughout the Relevant Period, Respondents did not provide employees notice of their right to spread of hours payments, and Respondents' employee handbook is silent on the companies' obligation to pay spread of hours when earned.

11. During the Relevant Period, from January 1, 2019 to April 30, 2026, at least 1,900 employees worked more than 20,000 shifts that qualified for a spread of

hours payment, but Respondents failed to pay the employees this when earned, in violation of Executive Law §63(12) and the Hospitality Industry Wage Order §146-1.6.

12. Because Respondents failed to include employees' payment for spread of hours pay that they had rightfully earned in the earnings statements Respondents provided to employees with each paycheck, Respondents violated the requirements of Labor Law §195(3) in failing to provide their accurate wage statements that complied with New York law.

13. Respondents admit the findings in Paragraphs 1-12.

14. Based on the foregoing, OAG has concluded that Respondents engaged in persistent and repeated illegality in violation of Executive Law § 63(12), the Hospitality Wage Order, 12 NYCRR §146-1.6, and New York Labor Law §195(3).

15. OAG finds the relief and agreements contained in this Assurance appropriate and in the public interest. THEREFORE, OAG is willing to accept this Assurance pursuant to Executive Law §63(15), in lieu of commencing a statutory proceeding for violations of Executive Law §63(12) based on the conduct described above.

**IT IS HEREBY UNDERSTOOD AND AGREED**, by and between the Parties, as follows:

### **Entities Bound by the Assurance**

16. This Assurance binds Respondents, as well as their principals, officers, successors, and assigns.

### **Effective Date**

17. The effective date of this Assurance shall be July 29, 2026 (referred to herein as the “Effective Date”).

### **MONETARY PAYMENT**

18. Respondents agree to pay \$440,000 (Four Hundred Forty Thousand dollars) (the “Settlement Amount”) in resolution of the Matter within thirty (30) calendar days of the Effective Date of this Assurance. The OAG shall provide Respondents with details for the payment within three (3) days of the Effective Date (as defined in Paragraph 17, *infra*). The payment and all correspondence related to this Assurance must reference “Assurance No. 26-041.”

19. Payment of the Settlement Amount shall be made by wire transfer, attorney check, corporate of certified check, or bank draft, which shall be made payable to the “State of New York” and proof of payment should be forwarded to OAG to the attention of:

Lawrence J. Reina  
Office of the Attorney General, Labor Bureau  
28 Liberty Street, 15th Floor  
New York, NY 10005  
Lawrence.Reina@ag.ny.gov

20. The Settlement Amount will be paid to OAG and distributed by a third-party administrator (the “Settlement Administrator”), and the entirety of it will be distributed as restitution to Respondents’ employees affected during the Relevant Period by the alleged violations of the laws described herein (“the Top Line Distributees”).

21. The OAG has the sole discretion to reasonably determine which of the Top Line Distributees shall be eligible for an individual Settlement Payment, to determine the amount of the Settlement Payments, and to direct the payment to the Top Line Distributees by the Settlement Administrator. At no time shall any monies from the Settlement Amount revert to Respondents.

22. Respondents agree to pay up to \$40,000 (Forty Thousand dollars) to the Settlement Administrator, the terms of which will be incorporated in a separate agreement.

23. Respondents will cooperate with OAG and the Settlement Administrator by providing to OAG and the Settlement Administrator, within a reasonable timeframe, following written request from OAG and/or the Settlement Administrator, information reasonably available to Respondents from their records needed to facilitate the payments to the Top Line Distributees. The information Respondents agree to provide, to the extent available, includes, but is not limited to, the Top Line Distributees’ (1) last known address; (2) last known telephone number;

(3) last-known email address; and (4) social security number. Respondents will also reasonably cooperate to provide to current employees any information related to the factual details of the settlement as OAG may reasonably request.

### **INJUNCTIVE AND PROSPECTIVE RELIEF**

24. Respondents agree to comply with, and are enjoined from hereinafter engaging in acts or practices which violate, Executive Law §63(12), the New York Labor Law and regulations promulgated thereunder (including, but not limited to, the Hospitality Industry Wage Order), and the New York Human Rights Law.

25. Respondents will provide notices of their wage and hour policies (including the spread of hours requirement), as well as their leave, breaks, harassment, and discrimination policies to all management and employees within forty-five (45) days of the effective date of the Assurance in a form approved by OAG. Within fifteen (15) days of the Effective Date, Respondents will provide to OAG draft notices required by this paragraph. Within fifteen (15) days thereafter, OAG shall propose any adjustments it believes are required, which Respondents will implement. Within fifteen (15) days thereafter, the policy notices shall then be sent to all employees via hand delivery, mail, email, or other electronic means and will be posted in all Respondents' current locations.

26. Respondents will revise the Employee Handbook to specifically mention the spread of hours requirement, in a form approved by OAG. Within fifteen

(15) days of the Effective Date, Respondents will provide to OAG the draft revision to the Employee Handbook required by this paragraph. Within fifteen (15) calendar days thereafter, OAG shall propose any adjustments it believes are required, which Respondents will implement. Within fifteen (15) calendar days thereafter, the revised Handbook shall then be sent to all employees via hand delivery, mail, email, or other electronic means, and will be available in all Respondents' current locations.

27. Respondents will revise the earnings statements provided to employees with their payment to specifically identify payment in accordance with the spread of hours requirement, in a form approved by OAG. Within thirty (30) calendar days of the Effective Date, Respondents will provide to OAG a draft of the earnings statement required by this paragraph. Within fifteen (15) days thereafter, OAG shall propose any adjustments it believes are required, which Respondents will consider and implement to the extent reasonably practicable. Within thirty (30) days thereafter, the revised earnings statement shall then be put into operational use.

28. Respondents will train all new employees, and conduct annual training of existing employees, on Respondents' wage and hour policies under New York and federal law, including employee rights to spread of hours pay, breaks, paid sick and family leave. Respondents will also conduct annual anti-harassment and anti-discrimination training under New York and federal law, including the policies and procedures for reporting violations of the same. In both cases, Respondents will

provide to OAG the proposed content of its training materials for OAG's review and approval.

29. Respondents designate Alain Snyder, Director of Human Resources, as a point of contact within the company to review any complaints from Respondents' current or former employee received by OAG, including but not limited to complaints from current or former employees related to provisions of this Assurance or complaints related to Respondents' wage and hour practices and acts alleging violations of discrimination and harassment law. Respondents shall take reasonable steps to investigate and resolve any such complaint received by OAG. Upon OAG's request, Respondents shall produce to OAG the disposition of any such complaint.

30. Every three (3) months, starting three (3) months from the Effective Date, Respondents shall submit to OAG a certification of its compliance with the Hospitality Industry Wage Order, codified at 12 NYCRR § 146-1.6, including providing information sufficient to verify proof of payment of spread of hours during the three month period ("the Compliance Audit Report"). Respondents shall submit a quarterly Compliance Audit Report for one (1) year from the Effective Date. Thereafter, Respondents shall submit to OAG a Compliance Audit Report every six (6) months for a period of two (2) years thereafter.

### **No Retaliation**

31. Respondents agree that they will not in any manner discriminate or retaliate against any of their employees, including but not limited to employees or former employees who cooperated or are perceived to have cooperated with OAG's investigation of this Matter. Respondents agree not to discharge, refuse to hire, or take any adverse action against any of these employees except for legitimate, non-discriminatory reasons unrelated to the OAG Investigation or to any past, present, or future participation in any activities involving the exercise of their legal rights under New York or federal law.

### **MISCELLANEOUS**

#### **Representations and Warranties**

32. The OAG has agreed to the terms of this Assurance based on, among other things, the representations made to OAG by Respondents during OAG's investigation and on OAG's own factual investigation resulting in the findings set forth in Paragraphs 1 to 12 herein. Respondents represent and warrant that they have not made any material representations to OAG that are inaccurate or misleading. If any material representations by Respondents are later found to be inaccurate or misleading, this Assurance is voidable by OAG in its sole discretion.

33. No representation, inducement, promise, understanding, condition, or warranty not set forth in this Assurance has been made to or relied upon by

Respondents in agreeing to this Assurance.

34. Respondents represent and warrant, through the signatures below, that the terms and conditions of this Assurance are duly approved, and execution of this Assurance is duly authorized by them.

**Effects of Assurance**

35. All terms and conditions of this Assurance shall continue in full force and effect on any successor, assignee, or transferee of Respondents. Respondents shall include in any such successor, assignment or transfer agreement a provision that binds the successor, assignee or transferee to the terms of the Assurance. Respondents will provide to OAG any proposed successor, assignee or transferee agreement at least fifteen (15) days in advance of a closing on such agreement to allow OAG to verify that such agreement appropriately provides that any successor, assignee or transferee has agreed to all terms and conditions of this Assurance, that they understand that the terms and conditions continue in full force and effect on said successor, assignee, or transferee of Respondents, and that said successor, assignee or transferee understands and has accepted all the terms, conditions and obligations contained in this Assurance. Respondents shall also provide a copy of any fully-executed successor, assignee or transferee agreement to OAG within fifteen (15) days of the agreement's execution.

36. Respondents expressly agree and acknowledge that a default in the performance of any obligation hereunder is a violation of the Assurance, and that, subject to the requirements in Paragraph 37, OAG thereafter may commence the civil action or proceeding contemplated in Paragraph 15 in addition to any other appropriate investigation, action, or proceeding, concerning the Matter. This paragraph notwithstanding, should a successor, assignee, or transferee fail to comply with any obligation hereunder, such failure will not constitute a default in performance, or breach, by Respondents of the obligations of the Assurance, or subject Respondents to a civil action or any investigation, action, or other proceedings concerning the Matter or the subject of this Assurance.

37. For purposes of resolving disputes with respect to Respondents' compliance with this Assurance, OAG shall give Respondents written notice of such default via first class mail and e-mail as indicated in Paragraph 50, which shall be effective three (3) days from the mailing of first class mail, after which Respondents shall have fifteen (15) days to cure such default ("cure period"). Upon request from Respondents, OAG may extend the cure period, and such extension shall not be unreasonably withheld.

38. Any failure by OAG to insist upon the strict performance by Respondents of any of the provisions of this Assurance shall not be deemed a waiver of any of the provisions hereof, and OAG, notwithstanding that failure, shall have

the right thereafter to insist upon the strict performance of any and all provisions of this Assurance to be performed by Respondents.

**Subsequent Proceedings**

39. Respondents expressly agree and acknowledge that in the event OAG initiates a subsequent investigation, civil action, or proceeding to enforce this Assurance for a default of the Assurance as provided in Paragraph 36, or if the Assurance is voided as provided in Paragraph 32:

- a. any statute of limitations or other time-related defenses are tolled from and after the Effective Date of this Assurance and until the date on which the Assurance is voided;
- b. OAG may use statements, documents, or other materials produced or provided by Respondents prior to or after the Effective Date except for settlement communications;
- c. any civil action or proceeding will be adjudicated by the courts of the State of New York, in New York County Supreme Court, and Respondents irrevocably and unconditionally waive any objection based upon personal jurisdiction, inconvenient forum, or venue; and
- d. evidence of a violation of this Assurance shall constitute prima facie proof of a violation of the Hospitality Industry Wage Order, codified at 12 NYCRR § 146-1.6.

40. If a court of competent jurisdiction determines that Respondents have violated the Assurance, Respondents shall pay to OAG the reasonable cost, if any, of obtaining such determination and of enforcing this Assurance, including without limitation legal fees, expenses, and court costs.

### **Tolling Agreement**

41. The Parties agree that the Parties' agreement tolling the statute of limitations dated January 28, 2025, as subsequently extended by the Parties, was extended until the Effective Date.

### **General Principles**

42. Unless a term limit for compliance is otherwise specified within this Assurance, Respondents' obligations under this Assurance are enduring. Nothing in this Assurance shall relieve Respondents of any obligations imposed by any applicable city, state, or federal law or regulation or other applicable law. To the extent that any applicable law exceeds the requirements in this agreement, the more stringent law controls.

43. Respondents agree to cooperate to respond to inquiries by OAG, to the extent reasonable and practicable, for any information related to implementation of the terms of this Assurance.

44. Nothing contained herein shall be construed to limit the remedies available to OAG in the event that Respondents violate the Assurance or if this

Assurance is voided after its Effective Date.

45. Nothing in this Assurance shall be construed to waive or limit any private rights, causes of action, or remedies.

46. This Assurance may not be amended except by an instrument in writing signed on behalf of the parties to this Assurance.

47. In the event that any one or more of the provisions contained in this Assurance shall for any reason be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, in the sole discretion of OAG, such invalidity, illegality, or unenforceability shall not affect any other provision of this Assurance.

48. Respondents acknowledge that it has entered this Assurance freely and voluntarily and upon due deliberation with the advice of counsel.

49. This Assurance shall be governed by the laws of the State of New York without regard to any conflict of laws principles.

50. All notices, reports, requests, and other communications to any party pursuant to this Assurance shall be in writing and shall be directed as follows:

- a. If to OAG to: Lawrence J. Reina, Labor Bureau, 28 Liberty Street, 15th Floor, New York, NY 10005, [lawrence.reina@ag.ny.gov](mailto:lawrence.reina@ag.ny.gov) or in his absence, the person holding the title of Bureau Chief, Labor Bureau.

b. If to Respondents to: Matthew P. Gizzo, Esq., Ogletree, Deakins, Nash, Smoak & Stewart, P.C., 1270 Avenue of the Americas, 24<sup>th</sup> Floor, New York, New York 10020, matthew.gizzo@ogletreedeakins.com and Alain Snyder, Director of HR, Top Line Restaurants and Reveille Management, 30 W 1<sup>st</sup> Ave., Mesa, Arizona 85210, asnyder@gbri.net.

Any changes in the person to whom communications should be specifically directed shall be made in writing in advance of the change.

51. This Assurance may be electronically signed, and any electronic signatures are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.

52. This Assurance may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

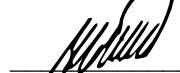
IN WITNESS WHEREOF, this Assurance is executed by the parties hereto as of  
July 29, 2026.

**LETITIA JAMES  
ATTORNEY GENERAL  
STATE OF NEW YORK**



\_\_\_\_\_  
Lawrence J. Reina  
Assistant Attorney General  
Office of the New York Attorney General  
Labor Bureau

**TOP LINE RESTAURANTS, INC.**



\_\_\_\_\_  
Glenn Beattie  
President

**REVEILLE MANAGENT, LLC**



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Glenn Beattie  
President