

CLASS AND PAGA SETTLEMENT TERM SHEET

On September 17, 2025, Plaintiff Vickie Williams ("Plaintiff") participated in mediation with Defendants Vallejo Hospitality LLC and Three65 Hospitality, LLC (collectively "Defendants") (together, Plaintiff and Defendants are "the Parties") before mediator Mark C. Peters regarding claims made in a class action and representative action complaint originally filed on November 30, 2022 and entitled *Vickie Williams v. Vallejo Hospitality LLC*, Solano County Superior Court No. FCS059352 and amended on February 14, 2023 to include claims pursuant to the Private Attorneys General Act ("PAGA") (the "Action").

The Parties reached the following class and PAGA representative action settlement ("Settlement") terms, subject to Court approval. The Parties intend them to be a full and final resolution of Plaintiff's claims as well as all Released Claims:

1. Action: The Plaintiff's lawsuit alleging wage and hour violations against Vallejo Hospitality LLC captioned "Vickie Williams, on behalf of herself, and all others similarly situated, and as an 'aggrieved employee' on behalf of other 'aggrieved employees' under the Labor Code Private Attorneys General Act of 2004, *Plaintiff(s)*, vs. Vallejo Hospitality LLC, a California limited liability company; Three65 Hospitality, LLC, a California limited liability company; and DOES 1 through 50, inclusive, *Defendant(s)*," Case No. FCS059352 initiated on November 30, 2022 and pending in Superior Court of the State of California, County of Solano.
2. Administration Expenses Payment: The amount the Administrator will be paid from the Gross Settlement Amount not to exceed \$12,000.00 to reimburse its reasonable fees and expenses.
3. Administrator: The neutral entity the Parties have agreed to appoint to administer the Settlement.
4. Aggrieved Employee: A person employed by Defendants in California and classified as an hourly, non-exempt who worked for Defendants during the PAGA Period.
5. Class Certification for Settlement Purposes. The Parties agree to stipulate to class certification for purposes of Settlement only as to the Class and related to the Released Claims.
6. Class Counsel Fees Payment: The amounts allocated to Class Counsel of not more than 33 and 1/3% for reimbursement of reasonable attorneys' fees incurred to prosecute the Action.
7. Class Counsel Litigation Expenses Payment: The amounts allocated to Class Counsel of not more than \$18,500.00 for reimbursement of expenses incurred to prosecute the Action.
8. Class Counsel: David Glenn Spivak of The Spivak Law Firm and Walter L. Haines of United Employees Law Group.

9. Class Data: Class Member identifying information in Defendants' possession including the Class Member's name, last-known mailing address, Social Security number, and number of Class Period Work Weeks and PAGA Pay Periods.
10. Class Member or Settlement Class Member: A member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
11. Class Period: The period from November 30, 2018 to March 17, 2025.
12. Class Representative Service Payment: the payment of not more than \$15,000.00 to the Class Representative for initiating the Action and providing services in support of the Action.
13. Class Representative: The named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
14. Class: All Defendants' hourly, non-exempt California employees during the Class Period.
15. Continuing Jurisdiction: The Court shall retain continuing jurisdiction over this case to ensure the continuing implementation of the provisions of this Settlement.
16. Court: The Superior Court of California, County of Solano.
17. Defendants: Defendants Vallejo Hospitality LLC and Three65 Hospitality, LLC.
18. Defense Counsel: Peter Samuel of Samuel and Samuel.
19. Denial of other pending claims: Defendants are unaware of any pending claims or notices to the LWDA that will be affected by the "Released Claims" provision above.
20. Disputes: Any dispute between the Parties as to the remaining terms of the settlement agreement shall be presented to the Mediator, Mark C. Peters.
21. Effective Date: The date by when both of the following have occurred: (a) the court enters a judgment on its order granting final approval of the Settlement; and (b) the judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the judgment; or if a timely appeal from the judgment is filed, the day after the appellate court affirms the judgment and issues a remittitur.
22. Employer-Side Payroll Taxes: Defendants' share of any employer payroll taxes to be paid in connection with the Settlement (*e.g.*, FICA, FUTA, payroll taxes, and/or any similar tax or charge – collectively "Employer Taxes") shall be paid by Defendants in addition to the Gross Settlement Amount.

23. Notice of Settlement To LWDA: Plaintiff shall timely file a notice of claim and notice of settlement with the LWDA.
24. Enforceability: The Parties intend this Settlement Term Sheet to be admissible and binding under California Code of Civil Procedure Section 664.6. However, this Settlement Term Sheet shall be enforceable when signed by PAGA Counsel, Plaintiff's Counsel, and Defense Counsel, given that all counsel have already received express authorization from their clients to enter into this Settlement Term Sheet. This Settlement Term Sheet shall be further memorialized in a long-form settlement agreement, to be signed by Plaintiff and Defendants.
25. Escalator Clause: Based on a review of their records to date, Defendants estimate there are 79 Class Members who collectively worked a total of 1,669 Work Weeks. If the Work Weeks as of the date the Court approves the settlement exceeds the Class Work Weeks by more than 10.00%, the Gross Settlement Amount, including the Class Counsel Fees Payment, the Class Representative Service Payment, and the PAGA Penalties, will increase proportionally according to the number of additional Work Weeks.
26. Execution in Counterparts: This Settlement Term Sheet may be executed in one or more counterparts by facsimile, electronic signature, or email which for purposes of this Settlement Term Sheet shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Settlement Term Sheet.
27. Final Approval Hearing: The Court's hearing on the Motion for Final Approval of the Settlement.
28. Final Approval: The Court's order granting final approval of the Settlement.
29. Funding of Gross Settlement Amount: Defendants shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll taxes by transmitting the funds to the Administrator no later than 365 days after the Effective Date.
30. Gross Settlement Amount: means \$250,000.00 which is the total amount Defendants agree to pay under the Settlement except as provided in the Escalator Clause. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator's Expenses.
31. Individual Class Payment: The Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Work Weeks worked during the Class Period.
32. Individual PAGA Payment: The Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Work Weeks worked during the PAGA Period.

33. Judgment: The judgment entered by the Court based upon the Final Approval.
34. LWDA PAGA Payment: The 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
35. LWDA: The California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
36. Mutual Cooperation: The Parties agree to cooperate fully with each other to accomplish the terms of the settlement by entering into a long-form Stipulation of Settlement which encompasses this Settlement Term Sheet, to use their best efforts to finalize the Settlement, and to use any other efforts that may become necessary by order of the Court, or otherwise, to effectuate the Settlement. Class Counsel agrees to prepare and circulate the initial draft Stipulation of Settlement and Notice of Class Action Settlement for Defendants' review within 30 days of the execution of this Settlement Term Sheet. Additionally, the proposed preliminary approval order, proposed final approval order, and proposed judgment are to be mutually agreed upon by the Parties - and will incorporate the terms of this Settlement Term Sheet - before they are presented for approval by the Court.
37. Net Settlement Amount: The Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
38. No Admission: The Parties agree the Settlement is not an admission of any liability or wrongdoing. Defendants deny any liability or wrongdoing of any kind and further deny that, for any purpose other than settling the Action, this action is or would be appropriate for representative treatment. Defendants maintain, among other things, that they have complied with California law in all aspects, and continue to do so. Nothing in the Settlement Term Sheet or Settlement negotiations, approval of Settlement, orders related to Settlement or any other aspect of the Settlement will be construed or deemed as an admission of liability, culpability, negligence, or wrongdoing on the part of Defendants.
39. No Publicity Regarding The Settlement: Class Counsel and Plaintiff shall not publicize or communicate the fact or terms of the settlement on any social media, internet site, print media, or marketing/advertising materials. The Court shall have the power to enjoin violations of this provision and the prevailing party shall be entitled to its attorneys' fees and costs.
40. Non-Participating Class Member: Any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
41. PAGA Notice: Plaintiff's November 28, 2022 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
42. PAGA Pay Period: Any Pay Period during which an Aggrieved Employee worked for

Defendants for at least one day during the PAGA Period.

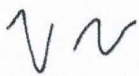
43. PAGA Penalties: The total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$2,500.00) and the 75% to LWDA (\$7,500.00) in settlement of PAGA claims.
44. PAGA Period: The period from November 28, 2021 to March 17, 2025.
45. Participating Class Member: A Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
46. Plaintiff: Vickie Williams, the named plaintiff in the Action.
47. Plaintiff's Release: Plaintiff will execute a general release with a waiver of rights under California Civil Code Section 1542.
48. Released Class Claims: All claims stated in the Operative Complaint and those based solely upon the facts alleged in the Operative Complaint.
49. Released PAGA Claims: All claims for civil penalties under PAGA stated in Plaintiff's pre-filing letter to the LWDA and those based solely upon the facts alleged in Plaintiff's pre-filing letter to the LWDA. Plaintiff releases all claims for civil penalties that could have been sought by the Labor Commissioner for the violations identified in Plaintiff's pre-filing letter to the LWDA; Plaintiff does not release the claim for wages or damages of any Aggrieved Employee unless such Aggrieved Employee is a Participating Class Member.
50. Released Parties: Defendants and each of their officers, directors, employees and agents.
51. Response Deadline: 60 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
52. Right to Withdraw: If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10.00% of the total of all Class Members, Defendants may, but are not obligated, elect to withdraw from the Settlement. Defendants must notify Class Counsel and the Court of their election to withdraw not later than 7 days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
53. Settlement: The disposition of the Action effected by this agreement and the judgment.
54. Stay of Litigation: The Parties agree that upon the signing of this Settlement Term Sheet by the Parties, this action shall remain stayed and all applicable deadlines shall be extended pending the outcome of the settlement process. The Parties further agree that upon the

signing of this Settlement Term Sheet that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

55. Tax Allocation: 33 and 1/3% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The 66.67% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.
56. Uncashed Checks: For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of CCP Section 384, subd. (b).
57. Workweek: means any week during which a Class Member worked for Defendants for at least one day, during the Class Period.

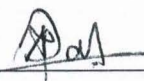
IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Settlement Term Sheet as of the dates set forth below:

Dated: October 21, 2025



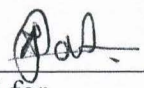
Vickie Williams

Dated: 10-30-, 2025



Anil Patel for
Vallejo Hospitality LLC

Dated: 10-30-, 2025



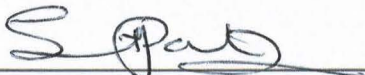
Anil Patel for
Three65 Hospitality, LLC

///

Dated: 10/30, 2025

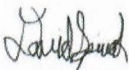

Sunita Patel for
Vallejo Hospitality LLC

Dated: 10/30, 2025


Sunita Patel for
Three65 Hospitality, LLC

AGREED AS TO FORM

Dated: 10 / 22 / 2025, 2025


David G. Spivak
The Spivak Law Firm
Attorneys for Plaintiff Vickie Williams

Dated: October 21, 2025


Walter L. Haines
United Employees Law Group
Attorneys for Plaintiff Vickie Williams

Dated: October 31,, 2025


Peter F. Samuel
Samuel and Samuel
Attorneys for Defendants Vallejo Hospitality LLC
and Three65 Hospitality, LLC