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SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE

PEDRO MERAZ-VALENCIA, on behalf of the
State of California, and Aggrieved Employees,

Plaintiff,

v.

WESTLAKE ROYAL ROOFING, LLC,

Defendant.

Case No. 30-2022-01262267-CU-OE-CXC

Hon. Randall J. Sherman

**PLAINTIFF'S SUPPLEMENTAL BRIEF
IN SUPPORT OF PLAINTIFF'S MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION AND PAGA
SETTLEMENT**

Date: January 5, 2026

Time: 1:30 p.m.

Dept.: CX103

1 **SUPPLEMENTAL BRIEF**

2 Pursuant to this Court's Order dated September 15, 2025, Plaintiff Pedro Meraz-Valencia, on
3 behalf of the proposed Settlement Class, the State of California, and the proposed PAGA Settlement
4 Group, hereby submits this supplemental brief in support of his motion for preliminary approval of
5 the parties' proposed Class and Representative Action Settlement Agreement and Release (the
6 "Settlement Agreement"), as amended, in this action against Defendant Westlake Royal Roofing LLC.

7 **1. Explanation of how the pending issues were resolved.**

8 Following the Court's Order dated September 15, 2025, the Parties met and conferred and
9 agreed to jointly (i) draft and sign an Amendment to Class and Representative Action Settlement
10 Agreement and Release (the "Amendment") addressing the issues raised by the Court to date
11 concerning the Settlement Agreement,¹ (ii) revise the Class Notice as requested by the Court,² (iii)
12 include a Request for Exclusion form to the Class Notice, and (iv) prepare an amended order granting
13 preliminary approval of the Settlement Agreement, as amended.

14 **a. Amendment to the Settlement Agreement.**

15 **i. Section I.13 (Escalator Clause)**

16 As requested by the Court and reflected in the Amendment, the following sentence has been
17 added to the end of Section I.13 of the Settlement Agreement: "These determinations and elections
18 will be made *before* notice of the settlement is sent by the Settlement Administrator to the Settlement
19 Class Members."

20 **ii. Section I.33 (Released Claims)**

21 As requested by the Court and reflected in the Amendment, the definition of "Released Claims"
22 in Section I.33 of the Settlement Agreement now reads as follows:

23 "Released Claims" shall mean any and all claims and/or causes of
24 action under any state, local or federal law or administrative order or
25 regulation by Settlement Class Members and PAGA Settlement Group

26
27 ¹ The fully signed Amendment, which as signed reflects the changes made to the provisions of the Settlement Agreement
identified therein, is attached as Exhibit A to the Supplemental Declaration of Philippe M.J. Gaudard ("Gaudard Decl.")
filed concurrently.

28 ² The revised Class Notice is attached to the Gaudard Decl. as Exhibit B.

Members against Released Parties that were or could have been pled based on the facts, theories, statutes and/or violations alleged in the Complaints, including but not limited to, any claim for: (1) Failure to Pay Minimum Wages (Labor Code §§ 1182.11, 1182.12, 1194, 1197, 1197.1 and 1198 and any related provisions of any applicable California Industrial Welfare Commission [“IWC”] Wage Order(s)); (2) Failure to Pay Overtime Wages (Labor Code § 510 and any related provisions of any applicable IWC Wage Order(s)); (3) Failure to Authorize and Permit and/or Make Available Meal Periods (Labor Code §§ 226.7 and 512 and any related provisions of any applicable IWC Wage Order(s)); (4) Failure to Provide Timely and Accurate Itemized Wage Statements (Labor Code §§ 226, 226.3 and 226.6 and any related provisions of any applicable IWC Wage Order(s)); (5) Failure to Timely Pay All Wages at Termination (Labor Code §§ 201-203 and any related provisions of any applicable IWC Wage Order(s)); and (6) Unlawful Business Practices (Cal. Bus. & Prof. Code §§ 17200, *et seq.*) based on such alleged facts, theories, statutes and/or violations; and related common law claims based on or reasonably arising out of any such facts, theories and/or violations, including without limitation, as to all of the foregoing, claims for statutory or civil penalties, compensatory damages, liquidated damages, punitive damages, interest, attorneys’ fees, litigation and other costs, expenses, restitution, and equitable and declaratory relief. The period of Released Claims shall be through February 3, 2024.

iii. Section III.2 (Release by Plaintiff on Behalf of the LWDA)

As requested by the Court and reflected in the Amendment, the release on behalf of the LWDA in Section III.2 of the Settlement Agreement now reads as follows:

1 In his capacity as a private attorney general “aggrieved employee”
2 acting on behalf of himself and as a proxy or agent of the LWDA and
3 State of California, Plaintiff agrees to release Defendant and the
4 Released Parties from any and all PAGA claims covered by the PAGA
5 Release. This Agreement, as approved by the Court, will have res
6 judicata and collateral estoppel effect as to Plaintiff, the PAGA
7 Settlement Group, the LWDA and the State of California. Settlement
8 Class Members cannot exclude themselves from being included in the
9 PAGA Settlement Group and being subject to the PAGA Release if the
10 court approves the PAGA Settlement.

11 **iv. Section III.6 (Tax Treatment)**

12 As reflected in the Amendment, Section III.6 of the Settlement Agreement now reads as
13 follows:

14 All Individual Settlement Payments shall be allocated as follows:
15 23% as to wages; 25% as to statutory, non-wage damages; 26% as to
16 penalties; and 26% as to interest. However, the Parties agree that the
17 amount of the Settlement allocated to wages shall not exceed 13.5% of
18 the Total Settlement AmountThe Settlement Administrator will report
19 each payment made from the Qualified Settlement Fund to state and
20 federal government authorities, including the Internal Revenue Service,
21 to the extent required by law. The 23% portion of Individual Settlement
22 Payments subject to required tax withholdings and deductions by the
23 Settlement Administrator shall be reported on Form W-2 (and such
24 other state or local tax reporting forms as may be required by law) with
25 respect to the year of payment as wage income to the Settlement Class
26 Member by the Settlement Administrator on behalf of the Qualified
27 Settlement Fund. The Settlement Administrator shall issue I.R.S. Form
28

1099 if required for the remaining payments, including any Individual
PAGA Payment. Plaintiff and Settlement Class Members should consult
with their tax advisors concerning the tax consequences of any
Individual Settlement Payment they may receive under the Settlement.

Settlement Class Members and Class Counsel shall be solely
responsible for the reporting and payment of their share of any federal,
state, and/or local income tax or other tax or any other withholdings, if
any, on any of the payments made pursuant to this Settlement.
Defendant makes no representation, and it is understood and agreed that
Defendant has made no representation, as to the taxability to any
Settlement Class Members of any portion of the Settlement Payments,
the payment of any attorneys' fees and expenses to Class Counsel, or
the payment of the Class Representative's Service Award to the Class
Representative. The Notice will advise each Settlement Class Member
to seek his/her own personal tax advice prior to acting in response to the
Notice.

A key sticking point during the mediated negotiations leading to the Settlement Agreement
was whether and to what extent Defendant would agree to separately pay any of the employer-side's
share of taxes on the settlement awards. Ultimately, the Parties agreed that the amount of the settlement
awards allocated to wages will be 23% of the gross settlement award, but that the total amount of such
wage allocations would not exceed 13.5% of the Total Settlement Amount (as opposed to the Net
Settlement Amount). This provision intends to limit the amount of employer-side's share of taxes
Defendant will pay.

v. Section III.13 (Unclaimed Payments)

As requested by the Court and reflected in the Amendment, the unclaimed payments provision
in Section III.13 of the Settlement Agreement now reads as follows:

1 Settlement Class Members will have 180 days from the date of their
2 Individual Settlement Payment and Individual PAGA Payment check(s)
3 sent to them by the Settlement Administrator to deposit, cash or
4 otherwise deposit their check(s). Funds attributable to unclaimed,
5 undeliverable, or expired Individual Settlement Payment and/or
6 Individual PAGA Payment checks (“Unclaimed Payments”) shall be
7 deposited to the State of California Unclaimed Property Fund in the
8 name of each Settlement Class Member or PAGA Settlement Group
9 Member who did not deposit, cash or otherwise negotiate his or her
10 Individual Settlement Payment and/or Individual PAGA Payment
11 check(s) in accordance with California’s escheatment laws.

12 As part of the administration, one hundred (100) days before the
13 Individual Settlement Payment and/or Individual PAGA Payment
14 check(s) expire, the Settlement Administrator shall mail reminder
15 postcards to those Settlement Class Members whose checks were not
16 returned undeliverable and who have not cashed their checks. This will
17 be included in Settlement Administration Costs.

18 **vi. Section III.17 (LWDA and Individual PAGA Payments)**

19 As requested by the Court and reflected in the Amendment, the typographical error in the 75%
20 dollar amount in Section III.17 of the Settlement Agreement has been corrected and now reads as
21 follows:

22 A total amount of \$87,500.00 from the Total Settlement Amount
23 will be allocated to the PAGA Payment. Seventy-five percent (75%) of
24 this amount, or \$65,625.00, will be the LWDA PAGA Payment and the
25 remaining twenty-five (25%), or \$21,875.00, will be payable to PAGA
26 Settlement Group members as their Individual PAGA Payment,
27 calculated as set forth in Section III.12(b).
28

1 If the Court orders a different amount to be paid for PAGA
2 penalties, that amount shall be paid from the Total Settlement Amount
3 and distributed 75% to the LWDA and 25% to PAGA Settlement Group
4 members as set forth in the Agreement; in no event shall Defendant be
5 required to pay in excess of the Total Settlement Amount.

6 Class Counsel shall give proper notice to the LWDA of the
7 Settlement by submitting a copy of this Agreement and any other
8 required documents to the LWDA at the same time as they submit this
9 Agreement to the Court for Preliminary Approval, as required by
10 California Labor Code § 2699(1)(2), and shall include evidence of
11 having done so in their Motion for Preliminary Approval of the
12 Settlement. Within ten (10) days following the Final Approval Order,
13 Class Counsel shall submit a copy of the Final Approval Order and
14 Judgment entered by the Court to the LWDA, as required by California
15 Labor Code § 2699(1)(3).

16 **vii. Section III.19 (Final Approval Order)**

17 As requested by the Court and reflected in the Amendment, Section III.19 of the Settlement
18 Agreement now reads as follows:

19 Plaintiff will request, and Defendant will concur in said request, that
20 the Court enter, after the Final Approval Hearing, a Final Approval
21 Order and a Final Judgment. Plaintiff will request that the Final
22 Approval Order certify the Settlement Class; find that this Agreement is
23 fair, just, adequate, and in the best interests of the Class; approve the
24 terms of the Settlement; and require the Parties to carry out the
25 provisions of this Agreement. The Parties shall jointly prepare the
26 proposed Final Approval Order. Class Counsel shall be responsible for
27 preparing the Motion for Final Approval, and any Motion Requesting
28

1 Attorneys' Fees, Costs, and Class Representative's Service Award,
2 supporting declarations, and exhibits thereto, for final approval by the
3 Court. Class Counsel agrees to provide Counsel for Defendant with the
4 draft memorandum of points and authorities and proposed order and
5 judgment that they intend to submit in support of their Motion for Final
6 Approval and application for attorneys' fees and costs in advance of the
7 filing of such documents at least five (5) business days in advance of
8 filing to allow Counsel for Defendant a reasonable time to review and
9 comment on such memorandum and further agrees to reasonably
10 consider the comments from Counsel for Defendant. The Parties must
11 meet and confer and make all reasonable efforts to agree on any
12 modifications to this Agreement that will result in entry of the Final
13 Approval Order, including a good faith attempt to address and/or cure
14 any issues identified by the Court as necessary for Final Approval.

15 As part of the Final Approval of the Settlement, Plaintiff,
16 Participating Class Members, the PAGA Settlement Group and the
17 LWDA shall be barred by operation of res judicata and collateral
18 estoppel from filing, initiating, or continuing to prosecute any actions,
19 claims, complaints, or proceedings in court, arbitration, with the
20 California Division of Labor Standards Enforcement ("DLSE"), with
21 the LWDA, or with any other entity, with respect to the claims they have
22 released as set forth in this Agreement. Additionally, it is agreed herein
23 that neither injunctive nor declaratory relief, nor any equitable relief,
24 will be ordered by the Court against Defendant in granting final
25 approval of the Settlement, which will otherwise be grounds for
26 Defendant rescinding and terminating this Agreement.

1 **b. Revised Class Notice and Request for Exclusion form.**

2 The Parties added a Request for Exclusion form to the Class Notice that Class Members can
3 complete and submit.

4 The Parties also revised the Class Notice to (i) restore heading (3) at p.2, (ii) change “Option”
5 to “Object,” and (iii) added in that same section that Class Members may orally object at the Final
6 Approval Hearing.

7 The Parties also added that the administrator’s decision as to workweek challenges are subject
8 to court’s review and approval at pp. 5-6 in section 3(h) and 7 in section 4(C) and fully deleted any
9 references to the administrator’s decision being final or that the Class Members cannot appeal or
10 otherwise challenge its final decision.

11 **c. Amended Proposed Preliminary Approval Order.**

12 As requested by the Court, Plaintiff is herewith submitting an amended proposed preliminary
13 approval order.

14 **2. Unknown number of Spanish-only speaking Class Members.**

15 Defendant does not maintain records from which it would be able to provide an accurate
16 estimate of the number of Class Members who are Spanish-only speakers.

17 **3. Plaintiff’s First Amended Complaint.**

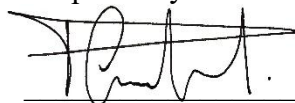
18 Plaintiff’s First Amended Complaint encompassing all claims subject to this Settlement
19 Agreement was filed-stamped by this Court on September 10, 2025, at approximately 1:01 PM.

20 **4. Suggested Final Approval Hearing Date.**

21 Plaintiff proposes that the Court set a Final Approval Hearing on May 4, 2026.

22 Dated: December 22, 2025

Respectfully Submitted,

23 

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27 *Attorneys for Plaintiff, on behalf of the State*
28 *of California and Aggrieved Employees*