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Attorneys for Plaintiff

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

RAYMON GAVALDON, individually, and on
behalf of the State of California and other
aggrieved persons,

Plaintiff,

v.

VICEROY IMPROVEMENT LLC, an Oregon
limited liability company; DABELLA
EXTERIORS, LLC, an Oregon limited liability
company; and DOES 1 through 10, inclusive,

Defendants.

Case No.: 24CV019256
Consolidated with Case No. 25CV004523

*[Assigned for All Purposes to the Honorable
Jill H. Talley, Dept. 8A]*

**DECLARATION OF THIAGO M.
COELHO IN SUPPORT OF PLAINTIFF'S
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION AND
PAGA SETTLEMENT**

Preliminary Approval Hearing:

Date: February 5, 2027

Time: 9:00 a.m.

Dept.: 8A

Reservation: A-19256-002

Action Filed: September 24, 2024

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1. I am an attorney at law licensed to practice before all of the courts of the State of California. I am a partner at Wilshire Law Firm, PLC (“WLF”), counsel for Plaintiff Raymon Gavaldon (“Plaintiff”) in this matter. I am thoroughly familiar with and have personal knowledge of all of the facts set forth herein.

Procedural History

4. On September 24, 2024, Plaintiff provided written notice to the LWDA and Defendants with the specific provisions of the Labor Code alleged to have been violated, including the facts and theories in support. A true and correct copy of Plaintiff's September 24, 2024, letter to Defendants and the LWDA is attached hereto as **Exhibit 1**. The LWDA did not notify Plaintiff that it intended to investigate within 65 days of this written notice. Therefore, on February 24, 2025, Plaintiff filed a separate action in the Superior Court of California, County of Sacramento for civil penalties under PAGA, Case No. 25CV004523 (the "PAGA Action").

6. On March 13, 2026, the Parties subsequently participated in a private full-day mediation with Daniel J. Turner, Esq. The negotiations were adversarial, conducted at arm's length, and tempered by the efforts of both sides to serve the interests of their clients. The mediator made a proposal, which was accepted by the Parties.

7. The parties negotiated the terms of the Settlement over the next several months, which was finalized on May 14, 2026. A true and correct copy of the Parties’ fully executed Class Action and PAGA Settlement Agreement and Addendum No. 1 to Class and PAGA Settlement Agreement (“Settlement Agreement”) is attached hereto as **Exhibit 2**. Attached thereto as **Exhibit A** is a true and correct copy of the Parties’ proposed Class Notice.

8. On September 9, 2026, Plaintiff submitted a copy of the Settlement Agreement to the LWDA. A true and correct copy of the confirmation of submission my office received after submitting the Settlement Agreement to the LWDA is attached hereto as **Exhibit 3**.

Investigation and Exposure Analysis

9. Prior to attending mediation, Plaintiff's Counsel thoroughly investigated the claims, applicable law, and potential defenses. Plaintiff's Counsel assessed the value of the class claims using the data and documents that Defendants produced in informal discovery, including the number of Class Members, the number of workweeks in the Class Period, the number of pay periods in the PAGA Period, Plaintiff's personnel file/documents concerning Plaintiff, Defendants' employee handbook(s), Defendants' written wage-and-hour policies, job descriptions, and a random sampling of time and payroll records. Plaintiff's Counsel engaged an expert consultant to quantify the potential exposure using the time and payroll records, and then assessed the risks associated with each claim meriting reductions in the likely success at class certification and likely recovery at trial.

10. Defendants' records show that there are approximately 1,024 Class Members, making joinder of all Class Members impracticable. Further, given the size and amount of each Class Member's claim, Class Members have little incentive to litigate their claims on an individual basis because the out-of-pocket expenses and personal commitment necessary to litigate each claim likely outweigh any potential recovery.

11. Plaintiff has alleged that Defendants maintained common employment policies and/or practices that unlawfully deprived Class Members of wages, meal periods, rest periods, reimbursements for business expenses, accurate wage statements, and timely payment of wages upon separation of employment. These allegations present common factual and legal questions of, *inter alia*, whether Defendants applied the same scheduling, timekeeping, pay, meal period, rest period,

1 and reimbursement policies to all Class Members, whether these policies and practices resulted in
2 Labor Code violations, whether Defendants' conduct was intentional, and whether Class Members
3 are entitled to damages and/or penalties. These common questions could be resolved using Class
4 Members' time records, payroll records, testimony from Defendants' designated representative(s),
5 and Class Members' testimony.

6 12. Although the exposure Plaintiff's Counsel calculated is substantial, the various risks
7 of succeeding at class certification and through trial affected the valuation of the claims for settlement
8 purposes.

9 13. Minimum and Overtime Wages: Plaintiff's unpaid minimum and overtime wage
10 claims were based on the allegation that Defendants required Class Members to perform work
11 duties while off the clock, without compensation. For example, Plaintiff alleged that Defendants
12 required him and other Class Members to perform work-related tasks after they clocked out of
13 work. For purposes of calculating Defendants' liability based on a best-case scenario for Plaintiff
14 and the Class, Plaintiff's Counsel assumed that all unpaid worktime should have been paid at the
15 overtime rate of pay and conservatively estimated that Defendants are liable for one (1) hour of
16 unpaid worktime per workweek. This results in potential exposure for this claim of approximately
17 \$735,306(21,425 workweeks x \$22.88 average hourly rate of pay x 1 hour/workweek x 1.5
18 overtime rate). Because this claim would have relied heavily on Class Member testimony and
19 would not be evidenced in Defendants' time and payroll records, the risk of succeeding at class
20 certification and trial was substantial. Accordingly, Plaintiff's Counsel applied a risk discount
21 based on a 40% chance of succeeding at class certification and a 40% chance of succeeding at trial
22 on the merits, yielding a realistic damage estimate of approximately \$117,648.96 (\$735,306 x 40%
23 x 40%).

24 14. Meal Periods: Plaintiff's meal period claim was based on the allegation that
25 Defendants failed to provide Class Members with legally compliant meal periods or pay meal
26 period premiums in lieu thereof. For example, Plaintiff alleged that Defendants required him and
27 other Class Members to work through their meal periods. Additionally, Plaintiff's Counsel's expert
28 consultant determined there was a 52% meal period violation (for shifts over 5 hours) rate from

the sampling of Defendants' time and payroll records, where meal periods were short, late, or missed (there was a 48.9% violation rate for shifts over 6 hours that are not waivable). Therefore, potential liability for the meal period claim is approximately \$1,184,525.06 (99,560 shifts over 5 hours x \$22.88 average hourly rate x 52% violation rate). After taking into account the difficulty of certifying and proving meal period claims, as well as Defendants' contention that the claim lacks merit and that a 52% violation rate is unrealistic, Plaintiff's Counsel discounted this figure based on a 50% chance of succeeding at class certification and a 40% chance of succeeding at trial, yielding a realistic damage estimate of approximately \$236,905.01 ($\$1,184,525.06 \times 50\% \times 40\%$).

15. Rest Periods: Plaintiff's rest period claim was based on the allegation that Defendants failed to provide Class Members with legally compliant rest periods or pay rest period premiums in lieu thereof. For example, Plaintiff alleged that Defendants required him and other Class Members to work through their rest periods. Based on Plaintiff's allegations and Plaintiff's and other Class Members' experience working for Defendants, Plaintiff's Counsel applied a 100% violation rate to all qualifying shifts during the Class Period. Therefore, Defendants' potential liability for the rest period claim is approximately \$2,313,831.52 (101,129 shifts of 3.5 hours or longer x \$22.88 average hourly rate x 100% violation rate). However, Plaintiff's Counsel discounted this figure to account for the difficulty of certifying and proving rest period claims, particularly because rest periods do not have to be recorded, and to account for the possibility of Class Members voluntarily choosing to forego a rest period. Because this claim would have relied exclusively on Class Member testimony, Plaintiff's Counsel discounted this claim based on a 30% chance of succeeding at class certification and a 20% chance of succeeding at trial, yielding a realistic damage estimate of approximately \$138,829.89 ($\$2,313,831.52 \times 30\% \times 20\%$).

16. Reimbursements: Plaintiff's reimbursement claim was based on the allegation that Defendants failed to indemnify Class Members for expenses incurred as a direct result of performing their job duties for Defendants, such as mandatory use of personal cell phones for work purposes. For purposes of calculating Defendants' liability based on a best-case scenario for Plaintiff and the Class, Plaintiff's Counsel estimated that Defendants were liable to each Class Member for \$10.00 per workweek in unreimbursed expenses, for a total amount of approximately

1 \$214,250 ($\$10.00 \times 21,425$ workweeks). However, Defendants argued that these expenses were
2 not required by Defendants, and that they could not have known that these expenses were being
3 incurred. Accordingly, Plaintiff's Counsel discounted this claim based on a 30% chance of
4 succeeding at class certification and a 30% chance of succeeding at trial, yielding a realistic
5 damage estimate of approximately 19,282.50 ($\$214,250 \times 30\% \times 30\%$).

6 17. In sum, Plaintiff's Counsel estimated that Plaintiff's maximum recovery for the off-
7 the-clock claim, meal period violations, and rest period violations (i.e., the wage claims) is
8 approximately \$4,233,662.58. However, after factoring in the risk and uncertainty of prevailing at
9 certification and trial, Plaintiff's Counsel estimates that Plaintiff's realistic estimated recovery for
10 these non-penalty wage claims is approximately \$493,383.86.

11 18. Derivative Penalties: Plaintiff alleged that as a result of Defendants' failure to pay
12 all wages owed, Defendants owed waiting time penalties and wage statement penalties. With
13 respect to Plaintiff's derivative claims for statutory penalties, Plaintiff's Counsel estimated that
14 Defendants' maximum potential liability is approximately \$5,091,932.00. Defendants' maximum
15 potential liability for waiting time penalties is approximately \$4,336,332.00 ($722 \text{ employees} \times$
16 $\$22.88 \text{ average hourly rate of pay} \times 8 \text{ hours/day} \times 30 \text{ days}$) + [$722 \text{ employees} \times \22.88 average
17 $\text{hourly rate of pay} \times 0.5 \text{ hours of overtime/day} \times 1.5 \text{ overtime rate} \times 30 \text{ days}$]) based on
18 approximately 722 formerly employed Class Members during the 3-year statute of limitations
19 period and an average shift length of 8.5 hours. Defendants' maximum potential liability for
20 inaccurate wage statements is approximately \$755,600.00 ($[762 \text{ employees} \times 1 \text{ initial}$
21 $\text{violation/employee} \times \$50 \text{ for an initial violation}] + [(7,937 \text{ pay periods} - 762 \text{ initial violations}) \times$
22 $\$100 \text{ for each subsequent violation}]$). In light of the foregoing, Plaintiff's Counsel believes that it
23 would be unrealistic to expect the Court to award the full \$5,091,932.00 in statutory penalties
24 given Defendants' defenses, the contested nature of Plaintiff's claims, the challenges of
25 establishing willfulness as applicable, and the discretionary nature of penalties. Considering that
26 the underlying wage claims are realistically estimated to be approximately \$493,383.36, such a
27 disproportionate award would also raise due process concerns. As such, Plaintiff's counsel
28 discounted these figures to account for the risk and uncertainty of obtaining class certification and

1 prevailing at trial, resulting in a realistic evaluation of approximately \$260,179.92 for waiting time
2 penalty claims ($\$4,336,332.00 \times 30\% \times 20\%$), and approximately \$45,336.00 for wage statement
3 penalty claims ($\$755,600.00 \times 30\% \times 20\%$), or approximately \$305,515.92 total for statutory
4 penalties.

5 19. PAGA: For the PAGA claim, Plaintiff's Counsel determined that Defendants'
6 potential exposure could potentially reach \$793,700.00, assuming the baseline \$100 penalty would
7 apply for each of the 7,937 pay periods in the PAGA Period. However, even assuming success on
8 the merits of each claim, PAGA gives the Court discretion to reduce penalties for a variety of
9 reasons, including where to do otherwise would result in an award that is unjust, arbitrary and
10 oppressive, or confiscatory. As such, Plaintiff's counsel discounted this figure to account for the
11 risk and uncertainty of prevailing at trial, resulting in a realistic evaluation of approximately
12 \$79,370.00 for PAGA penalties ($\$793,700.00 \times 10\%$). The settlement allocates \$39,000.00 of the
13 Gross Settlement Amount to PAGA, therefore the PAGA allocation amounts to 5% of the Gross
14 Settlement Amount and approximately 49% of the realistic maximum damages for PAGA penalties
15 ($\$39,000.00 / \$79,370.00$).

16 20. Using these estimated figures, Plaintiff's Counsel predicted that the realistic
17 maximum recovery for all claims, including penalties, would be approximately \$897,552.28. This
18 means that the gross settlement amount represents approximately 87% of the realistic maximum
19 recovery ($\$780,000.00 / \$897,552.28$). Considering the risk and uncertainty of prevailing at class
20 certification and at trial, this is an excellent result for the Class. Indeed, because of the proposed
21 Settlement, Class Members will receive timely, guaranteed relief and will avoid the risk of an
22 unfavorable judgment.

23 21. Based on the figures in the Settlement Agreement, the Net Settlement Amount
24 available for class settlement payments is currently estimated to be \$420,005.00 for approximately
25 1,024 Class Members. As a result, each Settlement Class Member would be eligible to receive an
26 average net benefit of approximately \$410.16. Based on the estimated Net Settlement Amount
27 available for individual class payments and there being approximately 21,425 workweeks in the
28

1 Class Period, the estimated weekly valuation for Individual Class Payments is \$19.60
2 (\$420,005.00/ 21,425 workweeks).

3 **Plaintiff's Counsel's Qualifications**

4 22. Plaintiff is represented by WLF. The attorneys at WLF performed significant work
5 and expended litigation costs in prosecuting this matter with no guarantee of payment.

6 23. WLF was selected by Best Lawyers and U.S. News & World Report as one of the
7 nation's Best Law Firms since 2020 and is comprised of more than 100 attorneys and over 600
8 employees. WLF is actively and continuously practicing in employment litigation, representing
9 employees in both individual and class actions in both state and federal courts throughout California.

10 24. WLF is qualified to handle this Litigation because its attorneys are experienced in
11 litigating Labor Code violations in individual, class action, and representative action cases. WLF
12 has handled, and is currently handling, numerous wage and hour class action lawsuits, as well as
13 class actions involving consumer rights and data privacy litigation.

14 25. I graduated from the University of Central Florida and the University of Southern
15 California, Gould School of Law. The National Trial Lawyers selected me as a "Top 10 Data
16 Privacy Trial Lawyer," "Top 25 Class Action Trial Lawyers," "Top 10 Wage and Hour Trial
17 Lawyer," and a "Top 40 under 40" attorney. For 2020 and 2021, I was selected and served as the
18 President of the Data Privacy Trial Lawyers Association, and I am an active member of CAALA,
19 CAOC's Data Breach Committee, and AAJ's Class Action Division. I have been selected as a
20 "Best Lawyer" by The Best Lawyers in America® and Super Lawyers as a "Rising Star." I have
21 settled over 300 cases, including, but not limited to, consumer class action cases. My hourly rate
22 is \$1,000.00, which was approved in *Suarez v. Bank of America, N.A.* (N.D. Cal. Jan. 11, 2024),
23 No. 18-cv-01202-LB, 2024 WL 150721, *3 ("As for the lodestar cross-check, the billing rates are
24 normal and customary for timekeepers with similar qualifications and experience in the relevant
25 market.") My current contingent billing rate is \$1,000 per hour.

26 26. Further, I have extensive experience litigating consumer class action and data
27 privacy class actions, and have litigated wage-and-hour class actions, including the following
28 cases:

- 1 a. I served as lead counsel in *Suarez v. Bank of America, N.A.*, Case No. 18-cv-
2 01202-LB, a wage-and-hour federal class action which resulted in a \$1.5 million
3 settlement.
- 4 b. I was lead counsel in *Moore v. Centrelake Medical Grp.* (2022) 83 Cal.App.5th
5 515, a data breach class action, where the Court of Appeal reversed the trial
6 court's judgment sustaining the defendant's demurrer, in part, because the
7 plaintiff's loss of benefit of the bargain was deemed a sufficient injury for UCL
8 standing. (Id. at pp. 527-530.)
- 9 c. I was also lead counsel in *Mier v. CVS Health* (9th Cir. July 8, 2023) No. 22-
10 55665, 2023 WL 4837851, a consumer class action involving false advertising
11 claims where the Ninth Circuit reversed the denial of class certification.
- 12 d. I was also lead counsel in *Peters v. Apple, Inc.*, (Los Angeles Superior Court)
13 Case No. 19STCV21787, a consumer class action involving Apple, Inc.'s
14 alleged misrepresentations regarding its Family Sharing service, which resulted
15 in a \$25 million class settlement. For my work on *Peters v. Apple, Inc.*, I was
16 awarded the Daily Journal's California Lawyer Attorney of the Year ("Clay")
17 Award.
- 18 e. I was also lead counsel in *Schumacher v. Bank of Hope*, Case No.
19 18STCV02066, a consumer class action which resulted in a \$13.3 million
20 settlement.
- 21 f. I served as an executive committee member in *Slate v. Dominion Dental*
22 *Services*, Case No. 1:19-cv-01063, which resulted in a \$4.7 million settlement.
- 23 g. I was class counsel in *In re MCG Health Data Security Litigation*, Case No.
24 2:22-cv-0849-RSM-DWC, which resulted in an \$8.8 million consumer class
25 action settlement.
- 26 h. I was class counsel in *Billie Culp, et al., v. Fitzgibbon Hospital*, Case No. 23SA-
27 CV00020 (Cir. Ct. Saline Cty., Mo., Div. IV January 10, 2023); a data
28

breach consolidated class action with a court-approved \$650,000.00 settlement.

i. I was class counsel in *Mendoza v. Crystal Bay Casino, LLC*, Case No. 3:23-cv-00092-MMD-CLB (D. Nev. Filed Feb. 28, 2023); a data breach consolidated class action with a court-approved \$675,000.00 settlement.

j. I was settlement class counsel in *In re Wright & Filippis, LLC Data Security Breach Litig.*, No. 2:22-cv-12908-SFC (E.D. Mich. Filed Nov. 30, 2022); which resulted in a court approved \$2.9 million settlement.

k. I was co-lead class counsel in *Lowery, et al., v. Community Psychiatry Management, LLC*, Case No. 24STCV30135 (Cal. Super. Ct. L.A. Cnty Nov. 15, 2024); with a pending settlement of \$3.5 million.

l. I was lead class counsel in *Alcazar v. Fashion Nova, Inc.*, Case No. 4:20-cv-01434-JST (N.D. Cal. filed Feb. 26, 2020); with a pending settlement of \$5.15 million.

27. Lauren Lendzion is a Senior Attorney at Wilshire Law Firm and has been a member of the California Bar since 2005. She is admitted and in good standing to practice before all courts of the State of California, and the United States District Courts for the Central, Southern, Eastern, and Northern Districts of California. Ms. Lendzion has experience in all stages of litigation and in complex matters involving class actions, consumer protection, antitrust, securities fraud, employment, and related claims. She obtained her Bachelor of Arts degree from the University of California, Santa Barbara (2001) and her J.D. from Seattle University School of Law (2004). While at Wilshire Law Firm, Ms. Lendzion worked on *Moore v. Centrelake Medical Grp.* (2022) 83 Cal.App.5th 515, a data breach class action, which was resolved through a class settlement providing monetary and injunctive relief, including credit monitoring services valued at \$113,894,424. Prior to working at Wilshire Law Firm, Ms. Lendzion worked at a prominent plaintiff-side class action firm where she worked and contributed on numerous class action cases including: *Chabot v. Walgreens Boots Alliance, Inc.*, No. 1:18-cv-02118-JPW (M.D. Pa.) which resulted in a \$192.5 million settlement and is the largest securities recovery paid by one company

1 to the shareholders of a different company over misleading statements in connection with the
2 antitrust review of a merger; and *Goldstein v. Denner*, C.A. No. 2020-1061-JTL (Del. Ch.) securing
3 \$124 million for Bioverativ shareholders in litigation challenging the company's sale.

4 28. Giancarlo A. Recinos is a Senior Attorney at WLF. He was admitted to practice law
5 in the State of California in 2012 and is an active member in good standing with the State Bar of
6 California. Mr. Recinos graduated from San Francisco State University with a Bachelor of Arts in
7 Communications and received his Juris Doctor from Southwestern Law School. For over a decade,
8 his practice has focused on employment law and wage -and-hour compliance.

9 29. Jesse S. Chen is an Associate Attorney at Wilshire Law Firm, PLC. He graduated
10 in 2017 from Brandeis University, with honors, obtaining a B.A. in Politics and International and
11 Global Studies. He received his J.D. from University of Southern California, Gould School of Law
12 in 2020. Mr. Chen's practice has focused on complex consumer class actions, including in the
13 areas of data breach and cybersecurity, in both state and federal courts across the country. His
14 notable cases include securing a \$14 million class settlement in a data breach class action,
15 *Schumacher et al. v. Bank of Hope* (Los Angeles Superior Court), Case No. 18STCV02066, as well
16 as a \$25 million class settlement in a consumer class action against Apple, Inc. for its alleged
17 misrepresentations regarding its Family Sharing service. *Peters v. Apple, Inc.* (Los Angeles
18 Superior Court) Case No. 18STCV21787. Mr. Chen currently bills at an hourly rate of \$650.00.
19 Mr. Chen received the CLAY Award for his contributions on *Peters* case. He has also served as
20 class counsel on the following cases:

- 21 a. *Billie Culp, et al., v. Fitzgibbon Hospital*, Case No. 23SA-CV00020 (Cir. Ct.
22 Saline Cty., Mo., Div. IV January 10, 2023); a data breach consolidated class
23 action with a court-approved \$650,000.00 settlement;
- 24 b. *Mendoza v. Crystal Bay Casino, LLC*, Case No. 3:23-cv-00092-MMD-CLB (D.
25 Nev. Filed Feb. 28, 2023); a data breach consolidated class action with a court-
26 approved \$675,000.00 settlement;
- 27 c. *In re Wright & Filippis, LLC Data Security Breach Litig.*, No. 2:22-cv-12908-
28 SFC (E.D. Mich. Filed Nov. 30, 2022); which resulted in a court approved \$2.9

1 million settlement; and

2 d. *Lowery, et al., v. Community Psychiatry Management, LLC*, Case No.
3 24STCV30135 (Cal. Super. Ct. L.A. Cnty Nov. 15, 2024); which resulted in a
4 \$3.5 million settlement, pending final approval.

5 **No Conflicts**

6 30. WLF has no actual or potential conflicts of interest with Class Members or the
7 proposed Administrator, Phoenix Settlement Administrators.

8 31. WLF is not aware of any pending matter or action against Defendants that may be
9 extinguished or adversely affected by this Settlement.

10 **Administrator**

11 32. Plaintiff's Counsel sought bids from three (3) administrators to administer this
12 Settlement. The Parties selected the bid with the lowest cost, which was from Phoenix Settlement
13 Administrators. A true and correct copy of the will-not-exceed bid from Phoenix Settlement
14 Administrators to administer this Settlement is attached hereto as **Exhibit 4**.

15
16 Class Counsel has reviewed the Checklist for Approval of Class Action and/or
17 Private Attorneys General Act ("PAGA") Settlements found in Local Rule 2.99.05 and the briefing
18 complies with the Checklist.

19
20 I declare under penalty of perjury under the laws of the State of California that the foregoing
21 is true and correct.

22 Executed on September 11, 2026 at Los Angeles, California.

23
24 

25 Thiago M. Coelho
26
27
28

EXHIBIT 1

WILSHIRE LAW FIRM, PLC

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Molly DeSario, Esq.
Uliana Kozeychuk, Esq.

September 24, 2024

LWDA
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612
(Via Online Submission)

CSC - Lawyers Incorporating Service
Agent for Service of Process for
Viceroy Improvement LLC
2710 Gateway Oaks Drive
Sacramento, CA 95833
(Via Certified Mail, Return Receipt Requested)

Corporation Service Company
Agent for Service of Process for
DaBella Exteriors LLC
1127 Broadway Street NE Ste 310
Salem, OR 97301
(Via Certified Mail, Return Receipt Requested)

Re: ***Raymon Gavaldon v. Viceroy Improvement LLC, et al.***
Notice of Labor Code Violations and PAGA Penalties

To Whom It May Concern:

Please be advised that my office has been retained by Raymon Gavaldon ("Mr. Gavaldon" or "Employee") to pursue a Labor Code Private Attorneys General Act of 2004 ("PAGA") representative action (Cal. Lab. Code §§ 2699, et seq.) against Employee's former Employers Viceroy Improvement LLC and DaBella Exteriors, LLC (collectively, "Employers"). Employers jointly employed Employee and the Aggrieved Employees.

The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations, which we allege Employers engaged in with respect to Employee and potentially all of Employers' Aggrieved Employees.

Employee wishes to pursue this action as an Aggrieved Employee, on behalf of the State of California, as well as on behalf of potentially all other persons who worked for Employers in California as a non-exempt or hourly-paid Employee at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

Employee and the Aggrieved Employees, or some of them, suffered the Labor Code violations described below.

Employers own and operate an industry, business, and establishment within the State of California and is, therefore, subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission ("IWC"), and the California Business & Professions Code.

During Employee's employment, Employers paid Employee an hourly wage and classified him as non-exempt from overtime. Employers typically scheduled Employee to work at least five days

in a workweek and at least eight hours per day, but Employee also worked more than eight hours in a workday and more than forty (40) hours in a workweek.

Throughout Employee's employment, Employers failed to pay for all hours worked (including minimum, straight time, and overtime wages, and reporting time pay), failed to provide legally compliant meal periods, failed to reimburse for business expenses, failed to furnish accurate wage statements, and failed to timely pay final pay. As discussed below, Employee's experience working for Employers was typical and illustrative.

Mr. Gavaldon's Employment with Employers

Employers are roofing and home remodeling contractors operating in California, among other states. Employee was an hourly, non-exempt worker of Employers. Mr. Gavaldon worked for Employers as a canvasser and a manager from approximately April 2023 to August 2024. His primary job function was leading the team marketing Employers' services door to door.

In performing Employee's duties, Employee was regularly required to perform work off-the-clock, without compensation, such as having work-related communications on his personal cell phone, driving back to the office from canvassing, filling out and scanning end-of-day reports, staying at the office for meetings past his usual shift end time, all without compensation. His managers pressured him to clock out and keep working. Employee was also sent home without having an opportunity to work at least half of this shift without being paid reporting time pay due on at least one occasion when his manager did not like Employee's performing managerial tasks.

Due to understaffing and high workloads, Employee was also frequently deprived of an opportunity to take timely and compliant meal breaks without the required premiums. For example, Employee and other members of his team had to clock out and then eat their lunch while driving to the next canvassing location. Even those on-duty meal breaks were frequently started late due to the demands of work and their quota.

Employee and the Aggrieved Employees also incurred unreimbursed business expenses that included, but were not limited to, having to use personal cell phone for work-related communications and buying their own supplies, such as clipboards. Employee also had to use personal vehicle to drive between job sites for at least two weeks without proper reimbursement. Further, Employee and the Aggrieved Employees' paystubs contained unauthorized deductions for their uniforms and a wrong legal entity name and address.

Employers further failed to pay full final wages timely by not paying all meal break penalties due and not paying for all hours worked.

These are just non-exhaustive examples of the facts and theories Employee asserts, which are described in more detail below.

Failure to Pay for All Hours Worked, Including Minimum, Straight Time, and Overtime Wages

Under California law, employers must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of employer and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employee in California shall not be employed more than eight hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employee in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the IWC is unlawful.

Throughout the statutory period, Employers failed to pay Employee and the Aggrieved Employees, or some of them, for all hours worked, including minimum, straight time, and overtime wages. Employers, at times, required Employee and the Aggrieved Employees, or some of them, to work “off-the-clock,” uncompensated, by, for example, requiring Employee and the Aggrieved Employees perform work during uncompensated meal periods and requiring Employee and the Aggrieved Employees to perform work before clocking in and/or after clocking out. Some of this unpaid work should have been paid at the overtime rate. California Labor Code § 510 requires that Employers compensate Employee 1.5 times their regular rate of pay when Employee work over eight hours per day, 40 hours per week, or when Employee work up to eight hours on any seventh day of a workweek. Employers failed to properly calculate Employee’s regular rate of pay when paying overtime, by failing to include all compensation in Employee’s overtime calculations. In failing to pay for all hours worked, Employers also failed to maintain accurate records of the hours Employee and the Aggrieved Employees, or some of them. Employers also altered, falsified, and manipulated the time records in order to pay them less.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including minimum, straight time, and overtime wages.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employee of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employee to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Employers, at times, wrongfully failed to provide Employee and the Aggrieved Employees, or some of them, with their legally mandated 30-minute, uninterrupted, and duty-free meal period in a manner required by law (and also including, but not limited to, failing, at times, to provide Employee and the Aggrieved Employees, or some of them, an opportunity to leave the work premises to take meal periods). Employers also continued to assert control over Employee and the Aggrieved Employees, or some of them, by, among other things, requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory meal periods, or by denying Employee and the Aggrieved Employees, or some of them, permission to take a meal period under the conditions required by law, and without properly compensating Employee and the Aggrieved Employees, or some of them, for meal periods that were not provided as required by law. Employers also did not inform Employee of Employee’s right to, nor permitted Employee to take, all of Employee’s second meal periods when Employee worked at least ten hours of work in a workday and otherwise unlawfully pressured Employee to waive such breaks. Employers also prevented Employee from clocking out unless they confirmed that they took compliant meal periods even when they did not. Accordingly, Employers, at times, failed to provide meal periods to Employee and the Aggrieved Employees, or some of them, in compliance with California law.

Employee and the Aggrieved Employees, or some of them, are thus entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s). Employers, however, at times, failed to pay Employee and the Aggrieved Employees, or some of

them, the additional wages to which they were entitled for meal periods that were not provided.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

Failure to Pay All Earned Wages Twice Per Month

Based on Employers' failure, at times, to pay Employee and the Aggrieved Employees, or some of them, for all wages as discussed above, Employers also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employee all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, and wages owed for overtime hours worked. However, at times, Employers failed and refused to pay the Employee all wages due, and failed to pay those wages twice a month, in that Employee was not paid all wages for all meal periods not provided by Employers, and all wages for all hours worked. As a result, Employers owe Employee the legally required wages for unpaid wages, and Employee and the Aggrieved Employees, or some of them, suffered damages in those amounts.

Moreover, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

Employee seeks penalties under California Labor Code § 1174(d). Pursuant to California Labor Code § 1174.5, any person, including any entity, employing labor, who willfully fails to maintain accurate and complete records required by California Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the Employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Employers, however, at times, failed to maintain accurate records of hours worked and all meal periods taken or missed by Employee and the Aggrieved Employees, or some of them. Employers also altered, falsified, and manipulated these records.

Employers' failure to provide and maintain records required by the California Labor Code and the applicable IWC Wage Orders deprived Employee and the Aggrieved Employees, or some of them, the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Employers' records. Therefore, Employee and the Aggrieved Employees, or some of them, had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Employers. As a direct result, Employee and the Aggrieved Employees, or some of them, have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorneys' fees in seeking to compel Employers to fully perform their obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Employers' knowing failure, at times, to comply with the California Labor Code and applicable IWC Wage Orders, Employee and the Aggrieved Employees, or some of them, have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall, semimonthly or at the time of each payment of wages, furnish their employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the Employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the Employee is paid, (7) the name of the employee and the last four digits of their social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the Employers, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

The statute further provides: “An employee suffering injury as a result of a knowing and intentional failure by employers to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorney’s fees.” (Lab. Code § 226(e)(1).)

In addition, California Labor Code § 246(i) required employers to provide an employee with written notice that sets forth the amount of paid sick leave available, or paid time off leave employer provides in lieu of sick leave, for use on either the employee’s itemized wage statement described in Section 226 or in a separate writing provided on the designated pay date with the employee’s payment of wages. If employer provides unlimited paid sick leave or unlimited paid time off to an employee, the employer may satisfy this section by indicating on the notice or the employee’s itemized wage statement “unlimited.”

Throughout the statutory period, Employers, at times, failed to, and continue, at times, to fail, to timely furnish Employee and the Aggrieved Employees, or some of them, with accurate, itemized wage statements complying with all of the above requirements. For example, its paystubs did not list the accurate legal employing entity’s name and address and the remaining paid sick leave balance.

Accordingly, Employee and similarly Aggrieved Employees, or some of them, are entitled to recover from Employers the greater of their actual damages caused by Employers’ failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per Employee. Moreover, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code § 226.3 for failing to timely furnish accurate itemized wage statements.

Recordkeeping Requirement Violations

California Labor Code section 1174 requires employers to keep “accurate and complete” payroll records showing, among other things, the hours worked daily by Employee and Aggrieved Employees. All applicable IWC Wage Orders, section 7 similarly requires employers to keep accurate time records reflecting the times during which all owed meal periods were provided each day.

Based on information and belief, Employers, at times, failed, and continue, at times, to fail, to keep accurate and complete payroll records as required by law, including, but not limited to, the following records: total daily hours worked, applicable rates of pay, time records showing when

Employee and other Aggrieved Employees began and ended each work period, time records of meal periods, and accurate itemized wage statements.

Based on information and belief, Employers further failed at times, and continue, at times, to fail, to record the true start and end times of some of Employee's and Aggrieved Employees' shifts and meal periods.

Employers' failure to keep "accurate and complete" payroll records for Employee and Aggrieved Employees, or some of them, violates Labor Code sections 1174, 1198, 1199, and all applicable IWC Wage Orders, section 7. These violations subject Employers to civil penalties under Labor Code sections 558.1, 226.6, 1174.5 and 2699. Each violation of each Labor Code section and Wage Order provision, for each Aggrieved Employees (or some of them), results in a separate civil penalty.¹

Refusal to Make Payment

Labor Code section 216 declares unlawful employer's refusal to pay wages due and payable and/or denial of the validity of any claim to wages due.

Employers, at times, violated and continue, at times, to violate Labor Code section 216 by failing to pay Employee and Aggrieved Employees, or some of them, for all hours worked at the proper wage rate and by failing to pay Employee and Aggrieved Employees, or some of them, an additional hour of pay for each meal and/or rest period not provided or that was invalid. *Gould v. Maryland Sound Industries, Inc.* (1995) 31 Cal.App.4th 1137, 1154-1155.

These violations subject Employers to civil penalties under Labor Code section 225.5. Each violation results in a separate civil penalty, for each Aggrieved Employees (or some of them) so affected, for each pay period (or some of them) during which the statute's provisions were violated.²

Statutory Wage Violations

Labor Code section 223 makes it unlawful for employers to secretly pay wages lower than required by statute while purporting to pay legal wages.

As described above, Employers, at times, willfully and systematically denied Employee and other Aggrieved Employees, or some of them, of minimum and overtime wage compensation for all hours worked which resulted in the payment of less than statutorily required wages owed to them. Employers, at times, acted with the intent to deprive some or all of them of statutory wages, including, but not limited to, overtime wages and minimum wages, to which they were entitled to under California law.

Thus, Employers, at times, paid Employee and other Aggrieved Employees, or some of them, lower wages than those to which they were entitled, while purporting that Employee and all Aggrieved Employees were properly paid. As such, Employee and Aggrieved Employees, or some

¹ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

² Labor Code § 225.5 (establishing that "[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of sections 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee") (emphasis added).

of them, are entitled to recover penalties, attorneys' fees, costs, and interest thereon, pursuant to Labor Code § 2699(f)-(g).

Failure to Indemnify for Necessary Expenditures

Labor Code § 2802(a) provides that employers shall indemnify their employees for all necessary business expenditures or losses that have been incurred by the employee in direct discharge of their duties. Throughout the statute of limitations period applicable to this cause of action, Employers, at times, wrongfully required Employee and the Aggrieved Employees, or some of them, to pay expenses that they incurred in direct discharge of their duties for Employers. Employee and the Aggrieved Employees, or some of them, at times, paid out-of-pocket for necessary employment-related expenses. Employee and the Aggrieved Employees, or some of them, incurred substantial expenses as a direct result of performing their job duties for Employers, but Employers failed to indemnify Employee and the Aggrieved Employees, or some of them, for these employment-related expenses.

As a result, Employers are liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 2802 and 2699(f)(2) for failing to indemnify Employee and the Aggrieved Employees, or some of them, for necessary business expenditures.

Failure to Timely Pay All Wages at Termination

Labor Code §§ 201 and 202 provide that, if employers discharge an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves their employment, their wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of their intention to quit, in which case the employee is entitled to their wages at the time of quitting. Direct deposits of wages to an employee's bank, saving and loan, or credit union account that were previously authorized by the employee are immediately terminated when an employee quits or is discharged, and the payment of wages upon termination of employment in the manner described above shall apply unless the employee has voluntarily authorized that deposit and provided that the employers comply with the provisions of Labor Code § 213(d) relating to the payment of wages upon termination or quitting of employment.

Within the applicable statute of limitations, the employment of Employee and many other Aggrieved Employees ended, i.e., was terminated by quitting or being discharged, and the employment of others will be terminated. However, during the relevant time period, Employers, at times, failed, and continue, at times, to fail, to pay Employee and terminated Aggrieved Employees, or some of them, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Employers' employment. These unpaid wages include wages for unpaid work time (including minimum, straight time, and overtime wages), and missed meal premium wages.

Failure to Pay Reporting Time Pay

Reporting time pay constitutes wages. (*Murphy v. Kenneth Cole Productions, Inc.* (2007) 40 Cal. 4th 1094). Thus, failure to pay all reporting time pay due at the time of employment termination may be the basis for waiting time penalties pursuant to Labor Code § 203. The IWC's purpose in adopting reporting time pay requirements was two-fold: "to compensate employees" and "encourag[e] proper notice and scheduling." *Id.* at pp. 1111-1112. In *Ward v. Tilly's, Inc.* (2019) 31 Cal.App.5th 1167, the court held physical reporting was not required in order to come within the reporting time pay provision. Types of situations that trigger reporting time pay include:

1. Physically appearing at the workplace at the shift's start;
2. Presenting themselves for work by logging on to a computer remotely;
3. Appearing at a client's job site;
4. Setting out on a trucking route;
5. Or as in Tilly's, by telephoning the store two hours prior to the start of a shift.

Id. at p. 1185.

Exceptions to the requirement for reporting time pay found in IWC Orders 1-16, Section 5(C) are as follows:

When operations cannot begin or continue due to threats to employees or property, or when civil authorities recommend that work not begin or continue; or

When public utilities fail to supply electricity, water, or gas, or there is a failure in the public utilities, or sewer system; or

When the interruption of work is caused by an Act of God or other cause not within the employer's control, for example, an earthquake.

The reporting time pay provisions do not apply to employees on paid standby status or when an employee has a regularly scheduled shift of less than two hours, such as a relief cashier who works only during a one-hour period in the middle of the day.

Here, Employers failed to pay reporting time pay, as required, to Employee and the Aggrieved Employees, when it sent them home without having an opportunity to work at least half of their usual shifts.

Action for Civil Penalties Under PAGA

In light of the above, Employee alleges that Employers violated the foregoing provisions of the Labor Code with respect to Employee and the Aggrieved Employees, or some of them:

Therefore, on behalf of potentially Aggrieved Employees, Employee seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 1174.5, 1197.1, and 2699.

Employee has placed Employers on notice by mailing a certified copy of this correspondence, as indicated on the first page. Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

WILSHIRE LAW FIRM



Molly DeSario, Esq.

EXHIBIT 2

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*Attorneys for Plaintiff Raymon Gavaldon
 and the Putative Class*

[Counsel Continued on Following Page]

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
 FOR THE COUNTY OF SACRAMENTO**

RAYMON GAVALDON, individually, and on
 behalf of the State of California and other
 aggrieved persons,

Plaintiffs,

v.

VICEROY IMPROVEMENT LLC, an Oregon
 limited liability company; DABELLA
 EXTERIORS, LLC, an Oregon limited liability
 company; and DOES 1 through 10, inclusive,

Defendants.

Case No. 24CV019256
 (Consolidated with Case No. 25CV004523)

**CLASS & PAGA REPRESENTATIVE
 ACTION**

**CLASS ACTION AND PAGA
 SETTLEMENT AGREEMENT**

Judge: Hon. Jill H. Talley
 Dept.: 23

Class Complaint Filed: 09/24/2024
 PAGA Complaint Filed: 02/24/2025
 Trial Date: 01/11/2027

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6 Attorneys for Defendants
VICEROY IMPROVEMENT LLC and
7 DABELLA EXTERIORS, LLC
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This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff RAYMON GAVALDON (“Plaintiff”) and Defendants VICEROY IMPROVEMENT LLC and DABELLA EXTERIORS, LLC (“Defendants”). The Agreement refers to Plaintiff and Defendants collectively as “Parties,” or individually as “Party.”

1. **DEFINITIONS.**

1.1 “Actions” means Plaintiff’s lawsuits alleging class action wage and hour violations against Defendants captioned *GAVALDON v. VICEROY IMPROVEMENT LLC, et al.*, Sacramento County Superior Court, Case No. 24CV019256, filed on September 24, 2024 (“Class Action”) and Case No. 25CV004523, filed on February 24, 2025 (“PAGA Action”).

1.2 “Administrator” means Phoenix Settlement Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3 “Administration Costs” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4 “Aggrieved Employee” means all persons who performed work for Defendants, or any of them, in California as an hourly-paid or non-exempt employee at any time during the PAGA Period, including current and former employees.

1.5 “Class” means all persons who performed work for Defendants, or any of them, in California as an hourly-paid or non-exempt employee at any time during the Class Period, including current and former employees.

1.6 “Class Counsel” means Thiago Coelho, Lauren Lenzion, Jennifer Leinbach, and Alan Wilcox of Wilshire Law Firm, PLC.

1.7 “Class Counsel Fees Payment” means an award of attorneys’ fees granted to Class Counsel and paid from the Gross Settlement Amount. The Parties have agreed Plaintiff will request approval from the Court of up to thirty-five percent (35%) of the GSA (currently \$273,000.00).

1.8 “Class Counsel Litigation Expenses Payment” means the amount allocated to Class Counsel for reimbursement of reasonable expenses and costs incurred to prosecute the Action, not to exceed \$25,000.00, and paid from the Gross Settlement Amount.

1.9 “Class Data” means Class Member identifying information in Defendants’ possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Workweeks and PAGA Pay Periods.

1.10 “Class Member” or “Settlement Class Member” means 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).

1.11 “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods, and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.12 “Class Notice” means the Court approved Notice of Settlement and hearing date for Final Approval, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.13 “Class Period” or “Class Settlement Period” means the period from September 24, 2020, until 60-days after March 16, 2026 or the date the Court grants preliminary approval, whichever is sooner (“Settlement Class Period”).

1.14 “Class Representative(s)” means the named Plaintiff RAYMON GAVALDON in the Actions.

1.15 “Class Representative Service Payment(s)” or “Enhancement Award(s)” means the payment to the Class Representatives for initiating the Actions and providing services in support of the Action.

1.16 “Court” means the Superior Court of California, County of Sacramento.

1.17 “Defendants” means named Defendants VICEROY IMPROVEMENT LLC and DABELLA EXTERIORS, LLC

1.18 “Defense Counsel” means Fisher & Phillips, LLP.

1.19 “Effective Date” means the date by which 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 (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.20 “Final Approval” means the Court’s order granting final approval of the Settlement.

1.21 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.22 “Final Judgment” means the Judgment entered by the Court upon granting Final Approval of the Settlement.

1.23 “Gross Settlement Amount” or “GSA” means \$780,000.00, which is the total amount Defendants agree to pay under the Settlement, except as provided in Paragraph 8 below.

1.24 “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.25 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 35% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

1.26 “Judgment” means the judgment entered by the Court based upon the Final Approval.

1.27 “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.28 “LWDA PAGA Payment” means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.29 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Penalties payment, Enhancement, Class

Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Costs Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.30 “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.31 “Operative Class Complaint” means the operative class action complaint filed in the Class Action.

1.32 “Operative PAGA Complaint” means the operative PAGA complaint filed in the PAGA Action.

1.33 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.

1.34 “PAGA Period” means the period from September 24, 2023, until 60 days after March 16, 2026 or the date the Court grants preliminary approval, whichever is sooner.

1.35 “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.36 “PAGA Notice” means Plaintiff’s September 24, 2024, letter (LWDA-CM-1052500-24) to the LWDA and Defendants providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.37 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount allocated 35% to the Aggrieved Employees and 65% to LWDA in settlement of PAGA claims.

1.38 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.39 “Plaintiff” means RAYMON GAVALDON, the named plaintiff in the Actions.

1.40 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

1.41 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

1.42 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.

1.43 “Released Parties” means Defendants and Defendants officers, directors, managerial employees and agents.

1.44 “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.45 “Response Deadline” means forty-five (45) 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 fourteen (14) calendar days after the Response Deadline has expired.

1.46 “Settlement” means the disposition of the Actions effected by this Agreement and the Judgment.

1.47 “Workweek” means any week during which a Class Member worked for Defendants for at least one day, during the Class Period.

2. **RECITALS.**

2.1 On September 24, 2024, Plaintiff filed the Operative Class Complaint alleging the following causes of action against Defendants (1) Failure to Pay Minimum and Straight Time Wages (Cal. Lab. Code, §§ 204, 1194, 1194.2, and 1197); (2) Failure to Pay Overtime Wages (Cal. Lab. Code, §§ 1194 and 1198); (3) Failure to Provide Meal Periods (Cal. Lab. Code, §§ 226.7, 512); (4) Failure to Timely Pay Final Wages at Termination (Cal. Lab. Code, §§ 201–203); (5) Failure to Provide Accurate Itemized Wage Statements (Cal. Lab. Code, § 226); (6) Failure to Indemnify Employees for Expenditures (Cal. Lab. Code, § 2802); (7) Failure to Pay Reporting Time Pay and (8) Unfair Business Practices (UCL) (Cal. Bus. & Prof. Code, §§ 17200, et seq.). On September 24, 2024 pursuant to Labor Code §2699.3, subd.(a), Plaintiff gave notice to the LWDA and Defendants that Plaintiff intended to proceed with a representative action under PAGA (LWDA-CM-1052500-24). On February 24, 2025, after the 65-day statutory period passed, Plaintiff filed the Operative PAGA Complaint, alleging claims for penalties pursuant to

1 Labor Code § 2699, *et seq.* On May 2, 2025, the Class Action and the PAGA Action were
2 consolidated, with the Class Action designated as the lead case.

3 2.2 Defendants deny the allegations in the Actions, deny any failure to comply with the laws
4 identified in the Actions, and deny any and all liability for the causes of action alleged in the
5 Actions.

6 2.3 On March 13, 2026, the Parties participated in an all-day mediation presided over by
7 mediator Daniel J. Turner, Esq. With the help of Daniel J. Turner, Esq., the Parties were able to
8 reach an agreement on general settlement terms at mediation and executed a Memorandum of
9 Understanding thereafter.

10 2.4 In advance of mediation, Class Counsel conducted a thorough investigation into the facts
11 of, and applicable law to, the Actions. Prior to mediation, Plaintiff obtained and analyzed a
12 representative sampling of time and payroll data for Class Members and the necessary policy
13 documents through informal discovery to properly evaluate the strengths and weakness of the
14 claims and engage in meaningful settlement discussions. Plaintiff's investigation was sufficient
15 to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, 48
16 Cal.App.4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 129-
17 130 (2008) ("*Dunk/Kullar*").

18 2.5 The Court has not granted class certification because the Parties engaged in mediation
19 before any class certification.

20 2.6 The Parties, Class Counsel and Defense Counsel represent that they are not aware of any
21 other pending matter or action asserting claims that will be extinguished or affected by the
22 Settlement.

23 3. **MONETARY TERMS.**

24 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below,
25 Defendants will pay \$780,000.00 to fully settle, resolve, and extinguish all claims asserted in the
26 Actions, including without limitation all claims asserted in the PAGA Notice. The Gross
27 Settlement Amount is non-reversionary and does not include employer payroll taxes owed on the
28 wage portions of the Individual Class Payments, which Defendants will pay separately.

1 3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct
2 the following payments from the Gross Settlement Amount, in the amounts specified by the Court
3 in the Final Approval:

4 3.2.1 To Plaintiff: A payment for the Enhancement Award to Plaintiff of not more than
5 \$10,000.00 in addition to any Individual Class Payment and any Individual PAGA Payment the
6 Class Representative is entitled to receive as a Participating Class Member. Defendants will not
7 oppose Plaintiff's request for an Enhancement Award that does not exceed this amount. As part
8 of the motion for the Class Counsel Fees and Litigation Expenses Payments, Plaintiff will seek
9 Court approval for any Enhancement Award no later than 16 (sixteen) court days prior to the
10 Final Approval Hearing, or as otherwise ordered by the Court. If the Court approves an
11 Enhancement Award less than the amount requested, the Administrator will retain the remainder
12 in the Net Settlement Amount to be distributed to Participating Class Members. The
13 Administrator will pay the Enhancement Award using IRS Form 1099. Plaintiff assumes full
14 responsibility and liability for employee taxes owed on the Enhancement Award.

15 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than up to thirty-five
16 percent (35%) of the GSA, which is currently estimated to be \$273,000.00, and a Class Counsel
17 Litigation Expenses Payment for actual costs. Defendants will not oppose requests for these
18 payments. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees and Litigation
19 Expenses Payment no later than 16 (sixteen) court days prior to the Final Approval Hearing, or
20 as otherwise ordered by the Court. If the Court approves a Class Counsel Fees Payment and/or a
21 Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator
22 will allocate the remainder to the Net Settlement Amount for distribution to Participating Class
23 Members. Released Parties shall have no liability to Class Counsel or any other Plaintiff's counsel
24 arising from any claim to any portion of Class Counsel Fee Payment and/or Class Counsel
25 Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and
26 Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes
27 full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class
28 Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies

Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 To the Administrator: An Administrator Costs Payment for actual costs, not to exceed \$12,995.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Costs are less or the Court approves payment of less than requested, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to Participating Class Members.

3.2.4 To Each Participating Class Member: An Individual Class Payment is calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period, and (b) multiplying the result by each individual Participating Class Member's Workweeks.

3.2.4.1 Tax Allocation of Individual Class Payments. Twenty percent (20%) of each Participating Class Member's Individual Class Payment will be allocated to the Settlement of wage claims (the "Wage Portion"). The Wage Portion is subject to tax withholding and will be reported on an IRS W-2 Form. The remaining 80% of each Participating Class Member's Individual Class Payment will be allocated to the 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.

3.2.4.2 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro-rata basis.

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties shall be allocated from the Gross Settlement Amount for the resolution of any claims arising under PAGA by the Aggrieved Employees, as representatives and/or agents of the State of California and the LWDA, and shall be distributed as 65% to the LWDA and 35% to the Aggrieved Employees.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b) multiplying the result by each individual Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount to be distributed to Participating Class Members. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. **SETTLEMENT FUNDING AND PAYMENTS.**

4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records, Defendants represents that there are 1,024 Class Members who collectively worked a total of 21,425 workweeks during the Class Period.

4.2 Class Data. Not later than fourteen (14) days after the Court grants Preliminary Approval of the Settlement, Defendants will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

1 4.3 Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement
2 Amount and the amounts necessary to fully pay Defendants' share of payroll taxes by transmitting
3 the funds to the Administrator no later than 30 (thirty) calendar days after the Effective Date.

4 4.4 Payments from the Gross Settlement Amount. Within seven (7) days after Defendants
5 fully funds the GSA, the Administrator will mail checks for all Individual Class Payments, all
6 Individual PAGA Payments, the LWDA PAGA Payment, the Administration Costs Payment, the
7 Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the
8 Enhancement Award. Disbursement of the Class Counsel Fees Payment, the Class Counsel
9 Litigation Expenses Payment, and the Enhancement Award shall not precede disbursement of
10 Individual Class Payments and Individual PAGA Payments.

11 4.4.1 The Administrator will issue checks for the Individual Class Payments and/or
12 Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail. The
13 face of each check shall prominently state the date (180 days after the date of mailing) when the
14 check will be voided ("Void Date"). The Administrator will cancel all checks not cashed by the
15 Void Date. The Administrator will send checks for Individual Settlement Payments to all
16 Participating Class Members (including those for whom the Class Notice was returned
17 undelivered). The Administrator will send checks for Individual PAGA Payments to all
18 Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved
19 Employees (including those for whom Class Notice was returned undelivered). The Administrator
20 may send Participating Class Members a single check combining the Individual Class Payment
21 and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator
22 must update the recipients' mailing addresses using the National Change of Address Database.

23 4.4.2 The Administrator must conduct a Class Member Address Search for all other Class
24 Members whose checks are returned undelivered without USPS forwarding address. Within seven
25 (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS
26 forwarding address provided or to an address ascertained through the Class Member Address
27 Search. The Administrator need not take further steps to deliver checks to Class Members whose
28 re-mailed checks are returned as undelivered. The Administrator shall promptly send a

replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and canceled 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 California Code of Civil Procedure Section 384, subd. (b).

4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. **RELEASES OF CLAIMS.** Effective on the date when Defendants fully funds the Gross Settlement Amount and all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 **Plaintiff's Release.** Plaintiff discharges Released Parties from all claims, transactions, or occurrences, that occurred during the Class Period, including all claims that were, or reasonably could have been, alleged, based on the facts contained in the Actions; and claims under the Fair Employment and Housing Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the California Labor Code, and all equivalent claims under federal law, including the Fair Labor Standards Act ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

5.2 Released Class Claims: All Participating Class Members will waive and release all claims asserted in the complaint filed in the Class Action or that could have been based on the factual allegations asserted in the complaint filed in the Class Action during the Class Period, including claims under the Labor Code, California Wage Orders, and all equivalent claims under federal law, including the Fair Labor Standards Act (collectively the "Released Class Claims"). For avoidance of doubt, Participating Class Members are only releasing those claims which were asserted in the Class Action or which reasonably could have been asserted based on the factual allegations stated in the Class Action.

5.3 Released PAGA Claims: The claims released by Aggrieved Employees, including Non-Participating Class Members who are Aggrieved Employees, are all claims for civil penalties under PAGA arising during the PAGA Period that were alleged in Plaintiff's PAGA Notice to the LWDA and the complaint filed in the PAGA Action, or that could have been based on the facts asserted in the PAGA Notice and the complaint filed in the PAGA Action against Released Parties (collectively the "Released PAGA Claims").

6. **MOTION FOR PRELIMINARY APPROVAL**. Plaintiff will prepare and file a motion for preliminary approval ("Motion for Preliminary Approval").

6.1 Plaintiff's Responsibilities. Plaintiff will prepare all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement;

(iii) a draft proposed Class Notice; (iv) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of this Agreement (Labor Code section 2699, subd. (1)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class Members, and/or the Administrator. In their Declarations, Plaintiff and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing the Motion for Preliminary Approval. Class Counsel will obtain a prompt hearing date for the Motion for Preliminary Approval, file the Motion for Preliminary Approval no later than 16 (sixteen) court days before the hearing, unless otherwise ordered by the Court, and deliver the Court's Preliminary Approval Order to the Administrator.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Costs. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the

1 Administrator other than a professional relationship arising out of prior experiences administering
2 settlements.

3 7.2 Employer Identification Number. The Administrator shall have and use its own
4 Employer Identification Number for purposes of calculating payroll tax withholdings and
5 providing reports to state and federal tax authorities.

6 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that
7 meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation
8 section 468B-1 for the funding of the GSA. Any interest that accrues on the GSA sums paid into
9 the QSF prior to distribution by the Administrator will become part of the NSA for distribution
10 to Participating Class Members.

11 7.4 Notice to Class Members.

12 7.4.1 No later than five (5) calendar days after receipt of the Class Data, the Administrator
13 shall notify Class Counsel that the list has been received and state the number of Class Members,
14 Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

15 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days
16 after receiving the Class Data, the Administrator will send to all Class Members identified in the
17 Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice with
18 Spanish translation substantially in the form attached to this Agreement as Exhibit A. The first
19 page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class
20 Payment and/or Individual PAGA Payment payable to the Class Member, and the number of
21 Workweeks and PAGA Pay Periods used to calculate these amounts. Before mailing Class
22 Notices, the Administrator shall update Class Member addresses using the National Change of
23 Address database.

24 7.4.3 Not later than five (5) calendar days after the Administrator's receipt of any Class
25 Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice
26 using any forwarding address provided by the USPS. If the USPS does not provide a forwarding
27 address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class
28 Notice to the most current address obtained. The Administrator has no obligation to make further

1 attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the
2 USPS a second time.

3 7.4.4 The deadlines for Class Members' written objections, challenges to Workweeks
4 and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond
5 the 45 days otherwise provided in the Class Notice for all Class Members whose notice is re-
6 mailed. The Administrator will inform the Class Member of the extended deadline with the re-
7 mailed Class Notice.

8 7.4.5 If the Administrator, Defendants, or Class Counsel is contacted by or otherwise
9 discovers any persons who believe they should have been included in the Class Data and should
10 have received Class Notice, the Parties will expeditiously meet and confer in person or by
11 telephone, and in good faith in an effort to agree on whether to include them as Class Members.
12 If the Parties agree, such persons will be Class Members entitled to the same rights as other Class
13 Members, and the Administrator will send, via email or overnight delivery, a Class Notice
14 requiring them to exercise options under this Agreement not later than 14 days after receipt of
15 Class Notice, or the deadline dates in the Class Notice, whichever are later.

16 7.5 Requests for Exclusion (Opt-Outs).

17 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement
18 must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not
19 later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for
20 Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class
21 Member or his/her representative that reasonably communicates the Class Member's election to
22 be excluded from the Settlement and includes the Class Member's name, address and email
23 address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed,
24 or postmarked by the Response Deadline.

25 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails
26 to contain all the information specified in the Class Notice. The Administrator shall accept any
27 Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the
28 person as a Class Member and the Class Member's desire to be excluded. The Administrator's

1 determination shall be final and not appealable or otherwise susceptible to challenge. If the
2 Administrator has reason to question the authenticity of a Request for Exclusion, the
3 Administrator may demand additional proof of the Class Member's identity. The Administrator's
4 determination of authenticity shall be final and not appealable or otherwise susceptible to
5 challenge.

6 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion
7 is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and
8 bound by all terms and conditions of the Settlement, including the Participating Class Members'
9 Releases under paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating
10 Class Member actually receives the Class Notice or objects to the Settlement.

11 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a
12 Non-Participating Class Member and shall not receive an Individual Class Payment or have the
13 right to object to the class action components of the Settlement. Because future PAGA claims are
14 subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who
15 are Aggrieved Employees are deemed to release the Released PAGA Claims identified in
16 Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

17 7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 45 (forty-five)
18 days after the Administrator mails the Class Notice (plus an additional 14 (fourteen) days for
19 Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks
20 and PAGA Pay Periods allocated to the Class Member in the Class Notice. The Class Member
21 may challenge the allocation by communicating with the Administrator via fax, email or mail.
22 The Administrator must encourage the challenging Class Member to submit supporting
23 documentation. In the absence of any contrary documentation, the Administrator is entitled to
24 presume that the Workweeks contained in the Class Notice are correct so long as they are
25 consistent with the Class Data. The Administrator's determination of each Class Member's
26 allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise
27 susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the
28

calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Enhancement Award.

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 45 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish, maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement; Motion for Preliminary Approval; Preliminary Approval Order; Class Notice; Motion for Final Approval; Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Enhancement Award; the Final Approval Order; and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the

1 Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names
2 and other identifying information of Class Members who have timely submitted valid Requests
3 for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class
4 Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for
5 Exclusion from Settlement submitted (whether valid or invalid).

6 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports
7 to Class Counsel and Defense Counsel that, among other things, tally the number of: Class
8 Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether
9 valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods
10 received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA
11 Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment
12 of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and
13 objections received.

14 7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to
15 address and make final decisions consistent with the terms of this Agreement on all Class Member
16 challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision
17 shall be final and not appealable or otherwise susceptible to challenge.

18 7.8.5 Administrator’s Declaration. Not later than 14 days before the date by which
19 Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator
20 will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in
21 Court attesting to its due diligence and compliance with all of its obligations under this
22 Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned
23 as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total
24 number of Requests for Exclusion from Settlement it received (both valid or invalid), the number
25 of written objections and attach the Exclusion List. The Administrator will supplement its
26 declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible
27 for filing the Administrator’s declaration(s) in Court.
28

1 7.8.6 Final Report by Settlement Administrator. Within 10 days after the Administrator
2 disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel
3 and Defense Counsel with a final report detailing its disbursements by employee identification
4 number only of all payments made under this Agreement. At least 15 days before any deadline
5 set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense
6 Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all
7 payments required under this Agreement. Class Counsel is responsible for filing the
8 Administrator's declaration in Court.

9 8. ESCALATOR CLAUSE. Based on its records, Defendants represent that there are 1,024
10 Class Members who collectively worked a total of 21,425 Workweeks during the Class Period.
11 Should the Workweeks increase more than 10% (i.e. more than 2,170 workweeks), the GSA will
12 increase on a proportional basis equal to the percentage increase in the number of Workweeks
13 worked by the Class Members above the 10% (for example, if the final number of total workweeks
14 increases by 11%, the GSA will increase 1%). Alternatively, Defendants may opt to shorten the
15 release period to an earlier date at which only the represented number of workweeks plus 10%
16 are covered by the Class Period.

17 9. MOTION FOR FINAL APPROVAL. Not later than 16 (sixteen) court days before the
18 calendared Final Approval Hearing, unless otherwise scheduled by the Court, Plaintiff will file in
19 Court, a Motion for Final Approval of the Settlement that includes a request for approval of the
20 PAGA settlement under Labor Code section 2699, subd. (l); a Proposed Final Approval Order;
21 and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts
22 of these documents to Defense Counsel prior to filing the Motion for Final Approval. Class
23 Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and
24 in good faith, to resolve any disagreements concerning the Motion for Final Approval.

25 9.1 Response to Objections. Each Party retains the right to respond to any objection raised
26 by a Participating Class Member, including the right to file responsive documents in Court no
27 later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or
28 accepted by the Court.

1 9.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
2 Approval on any material change to the Settlement (including, but not limited to, the scope of
3 release to be granted by Class Members), the Parties will expeditiously work together in good
4 faith to address the Court's concerns by revising the Agreement as necessary to obtain Final
5 Approval. The Court's decision to award less than the amounts requested for the Enhancement
6 Award, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or
7 Administrator Costs Payment shall not constitute a material modification to the Agreement within
8 the meaning of this paragraph.

9 9.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
10 Court will retain jurisdiction over the Parties, the Actions, and the Settlement solely for purposes
11 of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration
12 matters, and (iii) addressing such post-Judgment matters as are permitted by law.

13 9.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
14 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class
15 Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective
16 counsel, and all Participating Class Members who did not object to the Settlement as provided in
17 this Agreement, waive all rights to appeal from the Judgment, including all rights to post-
18 judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new
19 trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the
20 right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties'
21 obligations to perform under this Agreement will be suspended until such time as the appeal is
22 finally resolved and the Judgment becomes final, except as to matters that do not affect the amount
23 of the Net Settlement Amount.

24 9.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
25 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material
26 modification of this Agreement (including, but not limited to, the scope of release to be granted
27 by Class Members), this Agreement shall be null and void. The Parties shall nevertheless
28 expeditiously work together in good faith to address the appellate court's concerns and to obtain

Final Approval and Entry of Judgment, sharing, on a 50-50 basis, any additional Administration Costs reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Enhancement Award or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

10. **AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil Procedure §384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

11. **ADDITIONAL PROVISIONS.**

11.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Actions have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason, the Court does grant Preliminary Approval, Final Approval, or enter Judgment, Defendants reserve the right to contest certification of any class for any reason, Defendants reserve all available defenses to the claims in the Actions, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

11.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendants, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government

1 agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom
2 will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the
3 extent necessary to report income to appropriate taxing authorities; (4) in response to a court order
4 or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government
5 agency. Each Party agrees to immediately notify the other Party of any judicial or agency order,
6 inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendants, and Defense
7 Counsel separately agree not to, directly or indirectly, initiate any conversation or other
8 communication, before the filing of the Motion for Preliminary Approval, with any third party
9 regarding this Agreement or the matters giving rise to this Agreement except to respond only that
10 "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's
11 communications with Class Members in accordance with Class Counsel's ethical obligations
12 owed to Class Members.

13 11.3 No Solicitation. The Parties separately agree that they and their respective counsel and
14 employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal
15 from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability
16 to communicate with Class Members in accordance with Defense Counsel's and Class Counsel's
17 ethical obligations and Class Counsel's fiduciary duties owed to Class Members.

18 11.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
19 together with its attached exhibits shall constitute the entire agreement between the Parties
20 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or
21 inducements made to or by any Party.

22 11.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
23 represent that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate
24 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate
25 its terms, and to execute any other documents reasonably required to effectuate the terms of this
26 Agreement including any amendments to this Agreement.

27 11.6 Cooperation. The Parties and their counsel will cooperate with each other and use their
28 best efforts, in good faith, to implement the Settlement by, among other things, modifying the

1 Settlement Agreement, submitting supplemental evidence and supplementing points and
2 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
3 or content of any document necessary to implement the Settlement, or on any modification of the
4 Agreement that may become necessary to implement the Settlement, the Parties will seek the
5 assistance of a mediator and/or the Court for resolution.

6 11.7 No Prior Assignments. The Parties separately represent and warrant that they have not
7 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
8 encumber to any person or entity any portion of any liability, claim, demand, action, cause of
9 action, or right released and discharged by the Party in this Settlement.

10 11.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendants nor Defense Counsel are
11 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
12 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR
13 Part 10, as amended) or otherwise.

14 11.9 Modification of Agreement. This Agreement, and all parts of it, may be amended,
15 modified, changed, or waived only by an express written instrument signed by all Parties or their
16 representatives, and approved by the Court.

17 11.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure
18 to the benefit of, the successors of each of the Parties.

19 11.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be
20 governed by and interpreted according to the internal laws of the state of California, without
21 regard to conflict of law principles.

22 11.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation
23 of this Agreement. This Agreement will not be construed against any Party on the basis that the
24 Party was the drafter or participated in the drafting.

25 11.13 Confidentiality. To the extent permitted by law, all agreements made, and orders
26 entered during the Actions and in this Agreement relating to the confidentiality of information
27 shall survive the execution of this Agreement.
28

11.14 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

11.15 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

11.16 Notice. All notices, demands, or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Thiago M. Coelho (SBN 324715)
thiago.coelho@wilshirelawfirm.com
 Lauren M. Lendzion (SBN 239184)
lauren.lendzion@wilshirelawfirm.com
 Jennifer M. Leinbach (SBN 281404)
jennifer.leinbach@wilshirelawfirm.com
 Jesse S. Chen (SBN 336294)
jesse.chen@wilshirelawfirm.com
 Alan Wilcox (SBN 287476)
alan.wilcox@wilshirelawfirm.com
WILSHIRE LAW FIRM, PLC
 660 S. Figueroa St., Sky Lobby
 Los Angeles, California 90017
 Telephone: (213) 381-9988
 Facsimile: (213) 381-9989

To Defendants:

Christopher S. Alvarez (SBN 294795)
 E-Mail: *calvarez@fisherphillips.com*
 Daniela G. Contreras (SBN 352949)
 E-Mail: *dcontreras@fisherphillips.com*
FISHER & PHILLIPS LLP
 621 Capitol Mall, Suite 1400
 Sacramento, California 95814
 Telephone: (916) 210-0400
 Facsimile: (916) 210-0401

11.17 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or by email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

11.18 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement 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.

11.19 Binding Agreement. The Parties intend that this Agreement shall be fully enforceable and binding upon all Parties within the provisions of Cal. Civil Proc. § 664, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms pursuant to Cal. Evid. Code §§ 1122(a)(1) and 1123(b), notwithstanding the confidentiality provisions that otherwise might apply under federal or state law. The Parties further agree and intend that the Sacramento County Superior Court may enforce this Agreement pursuant to Code of Civil Procedure § 664.6.

IT IS SO AGREED.

By the Parties:

DATED: 5/11/2026

Signed by:

 41AD65E170AB4DF...

Plaintiff RAYMON GAVALDON

DATED: _____

Defendants VICEROY IMPROVEMENT LLC, DABELLA EXTERIORS, LLC

By: _____

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IT IS SO AGREED.

By the Parties:

DATED: _____

Plaintiff RAYMON GAVALDON

DATED: May 14, 2026

Defendants VICEROY IMPROVEMENT LLC, DABELLA EXTERIORS, LLC

By: Dennis A. McMillan Sr CEO

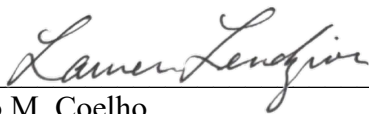
Position: CEO

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1 Approved by counsel:

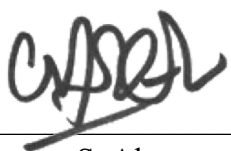
2
3 DATED: May 11, 2026

WILSHIRE LAW FIRM

4
5 BY: 
6 Thiago M. Coelho
7 Lauren M. Lenzion
8 Jennifer M. Leinbach
9 Jesse S. Chen
10 Alan Wilcox
11 Counsel for Plaintiff, RAYMON GAVALDON

12 DATED: May 14, 2026

FISHER & PHILLIPS, LLP

13
14 BY: 
15 Christopher S. Alvarez
16 Daniela G. Contreras
17 Counsel for Defendants, VICEROY IMPROVEMENT
18 LLC, DABELLA EXTERIORS, LLC
19
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28

Thiago M. Coelho, SBN 324715
thiago.coelho@wilshirelawfirm.com
Lauren M. Lendzion, SBN 239184
lauren.lendzion@wilshirelawfirm.com
Jesenia A. Martinez, SBN 316969
jesenia.martinez@wilshirelawfirm.com
Jesse S. Chen, SBN 336294
jesse.chen@wilshirelawfirm.com
WILSHIRE LAW FIRM, PLC
660 S. Figueroa Street, Sky Lobby
Los Angeles, California 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

*Attorneys for Plaintiff Raymon Gavaldon
and the Putative Class*

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

RAYMON GAVALDON, individually, and on
behalf of the State of California and other
aggrieved persons,

Plaintiffs,

v.

VICEROY IMPROVEMENT LLC, an Oregon
limited liability company; DABELLA
EXTERIORS, LLC, an Oregon limited liability
company; and DOES 1 through 10, inclusive,

Defendants.

Case No. 24CV019256
(Consolidated with Case No. 25CV004523)

**CLASS AND PAGA REPRESENTATIVE
ACTION**

**ADDENDUM NO. 1 TO CLASS ACTION
AND PAGA SETTLEMENT
AGREEMENT**

Judge: Hon. Jill H. Talley
Dept.: 8A

Complaint Filed: September 24, 2024
Trial Date: January 11, 2027

1 This Addendum No. 1 to Class Action and PAGA Settlement Agreement ("Addendum") is
2 entered into by and between Plaintiff Raymon Gavaldon ("Plaintiff") and Defendants Viceroy
3 Improvement, LLC and DaBella Exteriors, LLC ("Defendants" and collectively with Plaintiff, the
4 "Parties"), by and through their respective counsel, and is intended to amend and supplement the
5 Parties' Class Action and PAGA Settlement Agreement ("Agreement"). Capitalized terms not
6 otherwise defined in this Addendum have the same meaning as in the Agreement.

7 **RECITALS**

8 **A.** The Parties entered into the Agreement to resolve the class and representative claims
9 alleged in the Actions, subject to Court approval.

10 **B.** The Agreement states that the Gross Settlement Amount is \$780,000.00, subject to any
11 applicable adjustment under the Agreement's Escalator Clause.

12 **C.** The Parties desire to clarify and amend the Agreement to expressly allocate five percent
13 (5%) of the Gross Settlement Amount to PAGA Penalties.

14 **D.** Based on the current Gross Settlement Amount of \$780,000.00, five percent (5%) equals
15 \$39,000.00. The Parties intend this amount to be included within, and paid from, the Gross
16 Settlement Amount, not in addition to the Gross Settlement Amount, except to the extent the Gross
17 Settlement Amount is increased under the Agreement's Escalator Clause.

18 **AGREEMENT**

19 **1. PAGA Penalties Allocation.** The Agreement is amended to provide that PAGA
20 Penalties shall equal five percent (5%) of the Gross Settlement Amount. Based on the current Gross
21 Settlement Amount of \$780,000.00, the PAGA Penalties are \$39,000.00.

22 **2. Amendment to Paragraph 1.37.** Paragraph 1.37 of the Agreement is amended and
23 replaced in its entirety as follows:

24 **1.37 "PAGA Penalties"** means the total amount allocated from the Gross Settlement
25 Amount for settlement of the Released PAGA Claims. PAGA Penalties shall equal five percent
26 (5%) of the Gross Settlement Amount. Based on the current Gross Settlement Amount of
27 \$780,000.00, the PAGA Penalties are \$39,000.00, allocated sixty-five percent (65%) to the LWDA
28

as the LWDA PAGA Payment (\$25,350.00) and thirty-five percent (35%) to Aggrieved Employees as Individual PAGA Payments (\$13,650.00), subject to Court approval and applicable law.

3. Amendment to Paragraph 3.2.5. Paragraph 3.2.5 of the Agreement is amended and replaced in its entirety as follows:

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of five percent (5%) of the Gross Settlement Amount shall be paid from the Gross Settlement Amount. Based on the current Gross Settlement Amount of \$780,000.00, the PAGA Penalties are \$39,000.00, with sixty-five percent (65%) (\$25,350.00) allocated to the LWDA PAGA Payment and thirty-five percent (35%) (\$13,650.00) allocated to the Individual PAGA Payments.

4. Amendment to Paragraph 3.2.5.1. Paragraph 3.2.5.1 of the Agreement is amended and replaced in its entirety as follows:

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' thirty-five percent (35%) share of PAGA Penalties, currently \$13,650.00, by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b) multiplying the result by each individual Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. The Administrator will report the Individual PAGA Payments on IRS Form 1099.

5. Effect of Any Escalator Adjustment. If the Gross Settlement Amount is increased under Paragraph 8 of the Agreement, the PAGA Penalties shall remain five percent (5%) of the adjusted Gross Settlement Amount unless the Parties agree otherwise in a further written amendment approved by the Court. The LWDA PAGA Payment and Individual PAGA Payments shall be adjusted proportionally under the same allocation stated above.

6. No Additional Payment Obligation. The PAGA Penalties described in this Addendum are included within the Gross Settlement Amount and shall not increase Defendant's payment obligation beyond the Gross Settlement Amount, any employer-side payroll taxes required by the Agreement, and any adjustment required under the Agreement's Escalator Clause or further order of the Court.

WILSHIRE LAW FIRM, PLC
660 S. Figueroa St., Sky Lobby
Los Angeles, CA 90017

7. Conforming Revisions. The Parties shall make any conforming revisions necessary to the Class Notice, the motion for preliminary approval, the proposed preliminary approval order, the motion for final approval, the proposed final approval order and judgment, settlement administration calculations, and any LWDA submission required by Labor Code section 2699, subdivision (s).

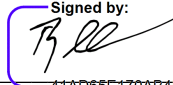
8. No Other Modifications. Except as expressly stated in this Addendum, all terms, conditions, releases, duties, deadlines, enforcement provisions, and other provisions of the Agreement remain unchanged and in full force and effect. If there is any conflict between this Addendum and the Agreement regarding PAGA Penalties, this Addendum controls.

9. Counterparts and Electronic Signatures. This Addendum may be executed in counterparts and by electronic signature. All executed counterparts shall constitute one agreement. The Parties intend that this Addendum be enforceable with the Agreement under Code of Civil Procedure section 664.6 and, to the extent applicable, Evidence Code sections 1122(a)(1) and 1123(b).

IT IS SO AGREED.

By the Parties:

DATED: 6/11/2026

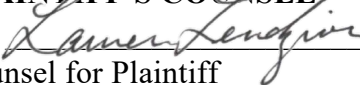
Signed by:

41AD65E170AB4DF...
Plaintiff Raymon Gavaldon

DATED:

Defendants Viceroy Improvement, LLC, DaBella Exteriors, LLC

APPROVED AS TO FORM:

DATED: 06/08/2026 **PLAINTIFF'S COUNSEL**

By: 
Counsel for Plaintiff

DATED:

DEFENDANT'S COUNSEL

By: _____
Counsel for Defendant

1 **7. Conforming Revisions.** The Parties shall make any conforming revisions necessary to
2 the Class Notice, the motion for preliminary approval, the proposed preliminary approval order,
3 the motion for final approval, the proposed final approval order and judgment, settlement
4 administration calculations, and any LWDA submission required by Labor Code section 2699,
5 subdivision (s).

6 **8. No Other Modifications.** Except as expressly stated in this Addendum, all terms,
7 conditions, releases, duties, deadlines, enforcement provisions, and other provisions of the
8 Agreement remain unchanged and in full force and effect. If there is any conflict between this
9 Addendum and the Agreement regarding PAGA Penalties, this Addendum controls.

10 **9. Counterparts and Electronic Signatures.** This Addendum may be executed in
11 counterparts and by electronic signature. All executed counterparts shall constitute one agreement.
12 The Parties intend that this Addendum be enforceable with the Agreement under Code of Civil
13 Procedure section 664.6 and, to the extent applicable, Evidence Code sections 1122(a)(1) and
14 1123(b).

15
16 **IT IS SO AGREED.**

17 **By the Parties:**

18 DATED: _____

19 Plaintiff Raymon Gavaldon

20 DATED: 11/4 _____
Domina M. Millan (Jun 9, 2026 07:55:23 PDT)

21 06/09/2026 Defendants Viceroy Improvement, LLC, DaBella Exteriors, LLC

22 **APPROVED AS TO FORM:**

23 DATED: **PLAINTIFF'S COUNSEL**

24 By: _____
Counsel for Plaintiff

25 DATED: 6/15/26 **DEFENDANT'S COUNSEL**

26 By: [Signature] _____
27 Counsel for Defendant
28

EXHIBIT A

**COURT APPROVED NOTICE OF CLASS ACTION AND PAGA SETTLEMENT AND
HEARING DATE FOR FINAL COURT APPROVAL**

*Raymon Gavaldon v. Viceroy Improvement, LLC, DaBella Exteriors, LLC.,
Sacramento County Superior Court, Case Nos. 24CV019256 (lead), 25CV004523*

***The Sacramento Superior Court authorized this notice.
It is not junk mail, spam, an advertisement, or solicitation by a lawyer.
Please read it carefully! You are not being sued.***

You may be eligible to receive money from employee class and representative action lawsuits (“Actions”) against Viceroy Improvement, LLC and DaBella Exteriors, LLC (“Defendants”) for alleged wage and hour violations. The Actions were filed by former employee, Raymon Gavaldon and seek (1) payment of unpaid wages and other relief for a class of non-exempt or hourly-paid employees (“Class Members”) who worked for Defendants during the Class Period (September 24, 2020 to XXXX); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all Class Members who worked for Defendants during the PAGA Period (September 24, 2023 to XXXX) (“Aggrieved Employees”).

The proposed Settlement has two main parts: (1) a Class settlement requiring Defendants to fund Individual Class Payments, and (2) a PAGA settlement requiring Defendants to fund Individual PAGA Payments and pay PAGA Penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on Defendants’ records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendants’ records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on Defendants’ records showing that **you worked [REDACTED] Workweeks during the Class Period and you worked [REDACTED] Pay Periods during the PAGA Period**. If you believe that you worked more during either period, you can submit a challenge by the deadline date.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval of the Settlement. Your legal rights are affected whether you act or not act. **READ THIS NOTICE CAREFULLY**. You will be deemed to have read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Defendants to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendants.

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	Receive money. Give up rights to sue Defendants for claims released in the Settlement.
EXCLUDE YOURSELF	Receive no money from the Class settlement. You will retain the right to pursue your own legal claims against Defendants. However, even if you exclude yourself from the Class settlement, you will still receive a portion of the PAGA settlement and be bound by it if you worked during the PAGA Period.
OBJECT	Write to the Court about why you object to the Settlement. If the Settlement receives Final Approval, you will receive money and give up rights to sue Defendants for claims released in the Settlement.
CHALLENGE YOUR NUMBER OF WORKWEEKS AND/OR PAY PERIODS	Challenge your number of Workweeks or Pay Periods listed in this Notice and provide supporting evidence. If you challenge your workweeks or pay periods, you will still be part of the Settlement and will give up rights to sue Defendants for claims released in the Settlement.

BASIC INFORMATION

1. WHY AM I RECEIVING THIS NOTICE?

Defendants’ records indicate that you worked for Defendants Viceroy Improvement, LLC and DaBella Exteriors, LLC at some point(s) between **September 24, 2020 through XXXX**, and are therefore a member of the Class for purposes of this Settlement.

You received this Notice because you have a right to know about a proposed Settlement of the Actions, and about all of your options, before the Court decides whether to finally approve the Settlement. The Settlement will resolve all Class Members’ claims, which are described below, during the Class Period. The Settlement will also resolve claims for civil penalties brought under the California Private Attorneys’ General Act (“PAGA”). If you are a Class Member, you are also an “Aggrieved Employee” if you worked for Defendants during the “PAGA Period,” which is **September 24, 2023 through XXXX**.

If the Court grants Final Approval to the Settlement, a settlement Administrator appointed by the Court will issue the payments provided for by the Settlement to Class Members. You are encouraged to always keep your address up to date with the Administrator (the Administrator’s contact information can be found in Section 12, below).

This Notice package explains the allegations and background regarding the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to receive those benefits.

The Court in charge of the Actions is the Sacramento County Superior Court. The case is titled *Raymon Gavaldon v. Viceroy Improvement, LLC, DaBella Exteriors, LLC*, Case Nos. . 24CV019256 (lead) and

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

25CV004523. The person who sued, Raymon Gavaldon, is the Plaintiff, and the companies sued, Viceroy Improvement, LLC and DaBella Exteriors, LLC, are the Defendants.

2. WHAT IS THE LAWSUIT ABOUT?

The Plaintiff in the lawsuits alleges wage and hour violations against Defendants for: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods and pay meal period premiums; (4) failure to provide rest periods and pay miss rest period premiums; (5) failure to pay all wages earned and unpaid at separation; (6) failure to furnish accurate itemized wage statements; (7) failure to indemnify all necessary business expenditures; (8) violation of California's Unfair Competition Law, California Business and Professions Code section 17200, *et seq.* In addition, Plaintiff is seeking to recover civil penalties pursuant to PAGA ("PAGA Penalties") based on the alleged violations of the California Labor Code listed above.

Defendants deny Plaintiff's claims and deny any wrongdoing.

3. WHY IS THIS A CLASS ACTION?

In an employment class action, one or more people called "Class Representatives" (in this case, the Plaintiff) sue on behalf of all workers who they contend have similar claims. All of these workers are a Class or Class Members. The court resolves the issues for all Class Members, except for those who exclude themselves from the Class.

4. WHY IS THERE A SETTLEMENT?

The Court did not decide in favor of the Plaintiff or Defendants on the merits of the claims alleged in the lawsuit. Plaintiff believes Plaintiff would win at trial. Defendants believe that Plaintiff's lawsuit would not proceed to a trial and/or that Plaintiff would not win at trial. However, there has been no trial. Instead, in acknowledgement of the risk that both Parties face should the case proceed, the Parties have agreed to a negotiated settlement. This way, all Parties avoid the cost of preparing for and conducting a trial, the risk of losing the right to a trial, and the workers affected by the alleged violations receive compensation. The Settlement represents a compromise and settlement of highly disputed claims. The Plaintiff, as well as Plaintiff's lawyers (called "Class Counsel"), believe the Settlement is fair and reasonable and in the best interests of all Class Members.

WHO IS INCLUDED IN THE SETTLEMENT?

5. WHO IS INCLUDED IN THE SETTLEMENT?

If you received this Notice, you are a Class Member for settlement purposes. The Class includes: all current and former hourly, non-exempt employees who were employed by Defendants in the State of California at any time from **September 24, 2020 through XXXX**.

6. ARE THERE EXCEPTIONS TO BEING INCLUDED?

You are not a Class Member if you already have resolved the claims asserted in this lawsuit, whether by settlement or a separate legal proceeding (i.e., another lawsuit).

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

THE SETTLEMENT BENEFITS—WHAT YOU GET

7. WHAT DOES THE SETTLEMENT PROVIDE?

Defendants have agreed to pay a Gross Settlement Amount (“GSA”) of \$780,000.00 to settle the lawsuit. From the GSA, Class Counsel will apply to the Court for attorneys’ fees of one-third of the GSA or \$273,000.00 and reimbursement for reasonable costs not to exceed \$25,000; Enhancement Award of \$10,00.00 to the Plaintiff (for Plaintiff’s work and efforts prosecuting this case); a PAGA Penalties payment of \$39,000.00 to resolve the PAGA claims; and Settlement Administration Costs to Phoenix Settlement Administrators, not to exceed \$12,995.00. The exact amount of the Class Counsel’s Fees and Litigation Expenses, Class Representative Service Payment, and Administration Costs will be determined by the Court at the Final Approval hearing. The remaining portion of the Settlement amount, the “Net Settlement Amount” or the “NSA,” is currently estimated to be approximately **\$420,005.00**. The NSA will be apportioned and paid out as Individual Class Payments to the Settlement Class Members, who are the Class Members that do not request to be excluded (“opt out”) of the Settlement.

PAGA Penalties payment: As part of the PAGA portion of the Settlement, the Parties will ask the Court to approve a \$39,000.00 PAGA Penalties payment in settlement of claims for civil penalties under PAGA. As required under PAGA, 65% of the PAGA Penalties payment, or \$25,350.00, will be paid to the California Labor and Workforce Development Agency. The remaining 35% of the PAGA Penalties payment, or \$13,650.00, will be distributed to the Aggrieved Employees as Individual PAGA Payments.

8. HOW MUCH WILL MY PAYMENT BE?

An approximation of your Individual Class Payment appears on the first page of this Notice. If you are also an Aggrieved Employee, an approximation of your Individual PAGA Payment will also appear on the first page of this Notice.

Individual Class Payment: Your Individual Class Payment is based on the number Workweeks you worked, as represented in Defendants’ records, in comparison to the total number of Workweeks worked by all Class Members during the Class Period (September 24, 2020 to XXXX). Eighty percent (80%) of each Class Member’s Individual Class Payment will be treated as a payment in settlement of the alleged claims for penalties and interest and will be reported on a Form 1099 by the Settlement Administrator, and twenty percent (20%) of each Class Member’s Individual Class Payment will be treated as a payment in settlement of alleged claims for unpaid wages. The 20% allocated as unpaid wages will be reduced by applicable payroll tax withholdings and deductions and reported on a Form W-2.

Individual PAGA Payment: If you worked for Defendants from September 24, 2023 to XXXX (“PAGA Period”), you are also an “Aggrieved Employee” and will receive an Individual PAGA Payment in addition to your Individual Class Payment. The Individual PAGA Payments are based on the number of PAGA Pay Periods worked by each Aggrieved Employee in comparison to the total amount of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period. One hundred percent (100%) of each Aggrieved Employees’ Individual PAGA Payment will be characterized as penalties and will not be reduced by payroll tax withholdings and deductions. The Individual PAGA Payment will be reported on a Form 1099 by the Settlement Administrator. An approximation of your anticipated Individual PAGA Payment appears on the first page of this Notice.

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

For the Class Members who are also Aggrieved Employees, their Individual Class Payment will be combined with their Individual PAGA Payment, and they will receive a single check for the combined payments. If a Class Member chooses to opt-out of the Settlement, they will still receive an Individual PAGA Payment, as Aggrieved Employees cannot opt-out of the PAGA portion of the Settlement. *See, e.g., Robinson v So. County Oil*, 53 Cal. App. 476 (2020).

HOW YOU GET A PAYMENT

9. HOW DO I RECEIVE A PAYMENT?

You do not need to do anything to receive a payment. However, if you believe that the number of Workweeks or PAGA Pay Periods you worked is incorrect, please correct it and provide any supporting evidence to the settlement Administrator, whose contact information is listed in Section 12 below.

10. WHEN WOULD I GET MY PAYMENT?

The Court will hold a Final Fairness Hearing on [REDACTED], to decide whether to approve the Settlement. If the Judge approves the Settlement, and anyone objects, there may be appeals. It is always uncertain when these objections and appeals can be resolved and resolving them can take time. If there is no objection, the Effective Date of the Settlement will be the date of entry of the Court's Order granting final approval.

Following the Effective Date, Individual Class Payments and Individual PAGA Payments will be mailed to Participating Class Members and Aggrieved Employees approximately 45 days after the Court's approval of the Settlement becomes final so long as there are no appeals.

Settlement checks should be cashed promptly upon receipt. Proceeds of checks which remain uncashed after 180 days from the date of issuance will be forwarded to the State of California Unclaimed Property Fund in the name of each Participating Class Member and/or Aggrieved Employee who did not cash his or her settlement check. If your settlement check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement. You can search for unclaimed property on the State's website at: https://www.sco.ca.gov/search_upd.html

For an update on the status of payments, please contact the Settlement Administrator (see Section 12).

11. WHAT AM I GIVING UP TO GET A PAYMENT?

If the Court approves this Settlement and unless you exclude yourself, you will become a Participating Class Member, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against Defendants concerning the legal claims being resolved in this Settlement. Specifically, you will be giving up or "releasing" the Released Class Claims described below against Defendants and all of Defendants' officers, directors, managerial employees, and agents ("Released Parties"). The releases become effective once the GSA is fully funded by Defendants.

Released Class Claims: The "Released Class Claims" shall include all claims asserted in the complaint filed in the Class Action or that could have been based on the factual allegations asserted in the complaint

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

filed in the Class Action during the Class Period, including claims under the Labor Code, California Wage Orders, and all equivalent claims under federal law, including the Fair Labor Standards Act.

Released PAGA Claims: If you are an Aggrieved Employee (i.e. if you worked for Defendants during the PAGA Period), you will also release all claims for civil penalties under PAGA arising during the PAGA Period that were alleged in Plaintiff's PAGA Notice to the LWDA and the complaint filed in the PAGA Action, or that could have been based on the facts asserted in the PAGA Notice and the complaint filed in the PAGA Action against Released Parties.

EXCLUDING YOURSELF FROM THE SETTLEMENT

12. HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?

To exclude yourself from the Settlement, you must send the Settlement Administrator a written and signed request for exclusion which must be postmarked no later than 45 days after Class Notice is Mailed. Be sure to include your name, address, and telephone number, and any other information you think would be helpful to the Settlement Administrator to identify you. You can send your request for exclusion to the settlement Administrator at:

Phoenix Settlement Administrators
Viceroy Improvement, LLC, DaBella Exteriors, LLC Settlement

XXXXXX

City, State, XXXXX

Email:

Fax:

If you ask to be excluded from the Settlement, you will not be legally bound by anything that happens in the Actions, except as it relates to settlement of the PAGA claim. If you ask to be excluded from the Settlement you will not be able to object to the Settlement and you will not receive an Individual Class Payment, but you will still receive an Individual PAGA Payment if you worked for Defendants during the PAGA Period (September 24, 2023 through XXXX). If you ask to be excluded, you may be able to sue (or continue to sue) Defendants in the future.

13. IF I DON'T EXCLUDE MYSELF, CAN I SUE DEFENDANT FOR THE SAME THING LATER?

No. Unless you exclude yourself, you give up any right to sue Defendants for the claims that this Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately. You must exclude yourself from this Class to continue your own lawsuit. Remember, the exclusion deadline is 45 days after Class Notice is Mailed.

14. IF I EXCLUDE MYSELF, CAN I GET MONEY FROM THIS SETTLEMENT?

No. If you exclude yourself, you will not receive any money from this Settlement. However, if you timely exclude yourself from the Settlement, you will retain the right to pursue your own legal action against Defendants, if you desire.

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

THE LAWYERS REPRESENTING YOU IN THIS LAWSUIT

15. DO I HAVE A LAWYER IN THIS CASE?

The Court has determined that Wilshire Law Firm, PLC is qualified to represent the Class Members for purposes of this Settlement. These lawyers are called Class Counsel and their contact information is listed below. If you want to be represented by your own lawyer, you may hire one at your own expense.

Thiago M. Coelho
thiago.coelho@wilshirelawfirm.com
Lauren M. Lendzion
lauren.lendzion@wilshirelawfirm.com
Jennifer M. Leinbach
jennifer.leinbach@wilshirelawfirm.com
Jesse S. Chen
jesse.chen@wilshirelawfirm.com

Alan Wilcox
alan.wilcox@wilshirelawfirm.com

WILSHIRE LAW FIRM
660 S. Figueroa Street, Sky Lobby
Los Angeles, California 90010
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

Defendants are represented by separate counsel and deny Plaintiff's allegations and that it violated the law. Defense Counsel represents Defendants' interests in this litigation. These lawyers are called Defense Counsel, and their contact information is listed below for identification only. Defense Counsel represents Defendants, not you. You do not need to contact Defense Counsel and should not to do so.

Christopher S. Alvarez (SBN 294795)
E-Mail: calvarez@fisherphillips.com
Daniela G. Contreras (SBN 352949)
E-Mail: dcontreras@fisherphillips.com
FISHER & PHILLIPS LLP
621 Capitol Mall, Suite 2400
Sacramento, California 95814
Telephone: (916) 210-0400
Facsimile: (916) 210-0401

Attorneys for Defendants
VICEROY IMPROVEMENT LLC and
DABELLA EXTERIORS, LLC

16. HOW WILL THE LAWYERS BE PAID?

Class Counsel will ask the Court to approve \$273,000.00 (or 1/3 of the GSA) for attorneys' fees incurred in investigating the facts, litigating the case, and negotiating the Settlement. Class Counsel will also seek Court-approval of up to \$25,000.00 in litigation expenses incurred in this matter. The Court may award Class Counsel less than what they request. Class Counsel will also ask the Court to approve a payment to Plaintiff Raymon Gavaldon in the amount of \$10,000 in addition to Plaintiff's Individual Class Payment

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

and Individual PAGA Payment for the initiative, risk, and time and energy Plaintiff has spent in service to the Class as the Class Representative. The Court may award a Class Representative less than what is requested.

OBJECTING TO THE SETTLEMENT

You can and have the right to tell the Court you do not agree with the Settlement or some part of it.

17. HOW DO I TELL THE COURT THAT I OBJECT TO THE SETTLEMENT?

If you don't think the Settlement is fair, you can object to some or all of the Settlement. You can either object to the Settlement in person at the Final Approval Hearing or you can submit a written objection. Written objections and notices of intent to appear at the Final Approval Hearing must be mailed to the Settlement Administrator and postmarked on or before [REDACTED], 2026, at the following address:

Phoenix Settlement Administrators
Viceroy Improvement, LLC, DaBella Exteriors, LLC Settlement

[REDACTED]

City, State, [REDACTED]

Email:

Fax

The written objection should state your name and address and describe all legal and factual reasons that you object to the terms of the Settlement. You should also include or attach any documents upon which your objection is based. If the Court overrules the objection at the Final Approval hearing, the Settlement Agreement will be approved, and you will receive your payment. If you do not submit a written objection, you may still appear at the Final Approval hearing to voice your objection or to otherwise observe the proceedings.

18. WHAT'S THE DIFFERENCE BETWEEN OBJECTING AND REQUESTING EXCLUSION?

Objecting is simply telling the Court that you do not agree with something about the Settlement. You can object only if you stay in the Class.

Requesting exclusion is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you, and you do not get any money from this Settlement. If you submit both an objection and a request to be excluded from the settlement, the request to be excluded will control and you will not get any money from this settlement.

THE COURT'S FAIRNESS HEARING

The Court will hold a Final Approval Hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you don't have to.

19. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Court will hold a Final Approval Hearing at [REDACTED] on [REDACTED] in Department 8A of the Sacramento County Superior Court located at 500 G Street, Sacramento, California 95814, to determine

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

whether the Settlement should be finally approved as fair, reasonable, and adequate. If there are objections, the Court will consider them at that time. The Court will also be asked to approve the requests for the Class Representative Service Payment and the Class Counsel Fees and Litigation Expenses Payments.

20. DO I HAVE TO COME TO THE HEARING?

No. Class Counsel will answer questions the Court may have. However, you are welcome to attend. If you send an objection, you do not have to come to the Court to talk about it. As long as you mailed your written objection to the settlement administrator on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

IF YOU DO NOTHING

21. WHAT IF I DO NOTHING AT ALL?

If you do nothing, you will receive a Settlement payment, and you will be bound by the terms of Settlement, which means that you will not be able to start a lawsuit, continue a lawsuit, or be a part of any other lawsuit against the Defendants about the legal issues in the Actions.

GETTING MORE INFORMATION

22. HOW DO I GET MORE INFORMATION?

You may contact Class Counsel at the contact information listed above in Section 15 if you have any questions about the Settlement. You may also contact the Court-appointed Settlement Administrator, Phoenix Settlement Administrators by calling toll free 1-800-XXXX-XXXX, or you can write to the Administrator at the following address:

Phoenix Settlement Administrators
Viceroy Improvement, LLC, DaBella Exteriors, LLC Settlement

XXXXXX

City, State, XXXXX

Email:

Fax

PLEASE DO NOT TELEPHONE THE COURT OR VICEROY IMPROVEMENT LLC OR DEBELLA EXTERIORS LLC'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT. YOU MAY, HOWEVER, CALL CLASS COUNSEL OR THE SETTLEMENT ADMINISTRATOR, LISTED ABOVE.

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

EXHIBIT 3



Outlook

Thank you for your Proposed Settlement Submission

From no-reply@formassembly.com <no-reply@formassembly.com>

Date Wed 9/9/2026 2:35 PM

To Giancarlo Recinos' Team <Giancarlorecinosteam@wilshirelawfirm.com>

09/09/2026 02:35:32 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

On 09/09/2026 02:35:32 PM your Proposed Settlement was successfully processed for case number LWDA-CM-1052500-24

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: [https://nam12.safelinks.protection.outlook.com/?](https://nam12.safelinks.protection.outlook.com/?url=http%3A%2F%2Flabor.ca.gov%2FPrivate+Attorneys+General+Act.htm&data=05%7C02%7Cdariane.rose%40wilshirelawfirm.com%7C7fd91c14f48f4c90212c08df0eba5374%7C9ada260a4f194da187b814d372333753%7C1%7C0%7C639245865579716444%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMtIsIkFOIjoiTWVpbGlldUljoyfQ%3D%3D%7C0%7C%7C%7C&data=%2FJ1HFTCfPR7MJ0LKjCmTVEE08BEgXiiKDCqLZezpPw%3D&reserved=0)

[url=http%3A%2F%2Flabor.ca.gov%2FPrivate Attorneys General Act.htm&data=05%7C02%7Cdariane.rose%40wilshirelawfirm.com%7C7fd91c14f48f4c90212c08df0eba5374%7C9ada260a4f194da187b814d372333753%7C1%7C0%7C639245865579716444%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMtIsIkFOIjoiTWVpbGlldUljoyfQ%3D%3D%7C0%7C%7C%7C&data=%2FJ1HFTCfPR7MJ0LKjCmTVEE08BEgXiiKDCqLZezpPw%3D&reserved=0](http%3A%2F%2Flabor.ca.gov%2FPrivate+Attorneys+General+Act.htm&data=05%7C02%7Cdariane.rose%40wilshirelawfirm.com%7C7fd91c14f48f4c90212c08df0eba5374%7C9ada260a4f194da187b814d372333753%7C1%7C0%7C639245865579716444%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMtIsIkFOIjoiTWVpbGlldUljoyfQ%3D%3D%7C0%7C%7C%7C&data=%2FJ1HFTCfPR7MJ0LKjCmTVEE08BEgXiiKDCqLZezpPw%3D&reserved=0)

EXHIBIT 4



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

CASE ASSUMPTIONS

Class Members	1,035
Opt Out Rate	1%
Opt Outs Received	10
Total Class Claimants	1,025
Subtotal Admin Only	\$12,995.00

Not-to-Exceed Total \$12,995.00

For 1035 Class Members

Pricing Good for Scope of Estimate Only

April 6, 2026

Case: Gavaldon v. Viceroy Improvement LLC (Class and PAGA) Opt-Out Admin wTranslation

Phoenix Contact: Jodey Lawrence

Contact Number: 949.566.1455

Email: Jodey@phoenixclassaction.com

Requesting Party: Virginia Tomlinson

Firm: Wilshire Law Firm, PLC

Contact Number: (213) 381-9988 Ext. 748

Email: virginia.tomlinson@wilshirelawfirm.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PHX will need to adjust this Estimate accordingly.

Estimate is based on 1035 Class Members. Class data **Must** be sent in Microsoft Excel or uploaded in the same format. Class Data Must be sent in one spreadsheet, with no additional programming needed. A rate of \$150 per hour will be charged for any additional analysis or programming. Pricing good for 90 days.

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)

Administrative Tasks:	Rate	Hours/Units	Line Item Estimate
Programming Manager	\$125.00	2	\$250.00
Programming Database & Setup	\$125.00	2	\$250.00
Toll Free Setup*	\$152.67	1	\$152.67
Call Center & Long Distance	\$2.00	56	\$112.00
NCOA (USPS)	\$250.00	2	\$500.00
Total			\$1,264.67

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Opt-Out Form & Postage / Translation / Reporting

Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$125.00	3	\$375.00
Data Merge & Duplication Scrub	\$0.50	1,035	\$517.50
Notice Packet & Opt-Out Form	\$1.25	1,035	\$1,293.75
Estimated Postage (up to 2 oz.)*	\$0.79	1,035	\$817.65
Static Website	\$250.00	1	\$250.00
Language Translation	\$1,000.00	1	\$1,000.00
Total			\$4,253.90

* Prices good for 90 days. Subject to change with the USPS Rate or change in Notice pages or Translation, if any.



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables

Project Action:	Rate	Hours/Units	Line Item Estimate
Case Associate	\$55.00	2	\$110.00
Skip Tracing Undeliverables	\$2.00	78	\$155.25
Remail Notice Packets	\$1.25	78	\$97.03
Estimated Postage	\$0.79	78	\$61.32
Programming Undeliverables	\$50.00	2	\$100.00
Total			\$523.61

Database Programming / Processing Opt-Outs, Deficiencies or Disputes

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Claims Database	\$135.00	2	\$270.00
Non Opt-Out Processing	\$200.00	1	\$200.00
Case Associate	\$55.00	2	\$110.00
Opt-Outs/Deficiency/Dispute Letters	\$10.00	5	\$50.00
Case Manager	\$75.00	2	\$150.00
Total			\$780.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks

Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$135.00	2	\$270.00
Disbursement Review	\$135.00	2	\$270.00
Programming Manager	\$95.00	3	\$285.00
QSF Bank Account & EIN	\$100.00	2	\$200.00
Check Run Setup & Printing	\$125.00	4	\$500.00
Mail Class Checks *	\$1.00	1,025	\$1,024.65
Estimated Postage	\$0.79	1,025	\$809.47
Total			\$3,359.12

* Checks are printed on 8.5 x 11 in. sheets with W2/1099 Tax Filing



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations

Project Action:	Rate	Hours/Units	Line Item Estimate
Case Supervisor	\$125.00	3	\$375.00
Remail Undeliverable Checks (Postage Included)	\$1.50	102	\$153.70
Case Associate	\$50.00	3	\$150.00
Reconcile Uncashed Checks	\$75.00	2	\$150.00
Conclusion Reports	\$150.00	2	\$300.00
Case Manager Conclusion	\$80.00	2	\$160.00
Final Reporting & Declarations	\$125.00	2	\$250.00
IRS & QSF Annual Tax Reporting * (1 State Tax Reporting Included)	\$1,275.00	1	\$1,275.00
Total			\$2,813.70

* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.

Estimate Total: \$12,995.00



TERMS AND CONDITIONS

Provisions: The case estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make any provision for any services or class size not delineated in the request for proposal or stipulations. Proposal rates and amounts are subject to change upon further review, with Counsel/Client, of the Settlement Agreement. Only pre-approved changes will be charged when applicable. No modifications may be made to this estimate without the approval of PSA (Phoenix Settlement Administrators). All notifications are mailed in English language only unless otherwise specified. Additional costs will apply if translation into other language(s) is required. Rates to prepare and file taxes are for Federal and California State taxes only. Additional charges will apply if multiple state tax filing(s) is required. **Pricing is good for ninety (90) days.**

Data Conversion and Mailing: The proposal assumes that data provided will be in ready-to-use condition and that all data is provided in a single, comprehensive Excel spreadsheet. PSA cannot be liable for any errors or omissions arising due to additional work required for analyzing and processing the original database. A minimum of two (2) business days is required for processing prior to the anticipated mailing date with an additional two (2) business days for a National Change of Address (NCOA) update. Additional time may be required depending on the class size, necessary translation of the documents, or other factors. PSA will keep counsel apprised of the estimated mailing date.

Claims: PSA's general policy is to not accept claims via facsimile. However, in the event that facsimile filing of claims must be accepted, PSA will not be held responsible for any issues and/or errors arising out of said filing. Furthermore, PSA will require disclaimer language regarding facsimile transmissions. PSA will not be responsible for any acts or omissions caused by the USPS. PSA shall not make payments to any claimants without verified, valid Social Security Numbers. All responses and class member information are held in strict confidentiality. Additional class members are \$10.00 per opt-out.

Payment Terms: All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the data and/or notice documents. PSA bills are due upon receipt unless otherwise negotiated and agreed to with PSA by Counsel/Client. In the event the settlement terms provide that PSA is to be paid out of the settlement fund, PSA will request that Counsel/Client endeavor to make alternate payment arrangements for PSA charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the settlement account is funded by Defendant, or no later than the time of disbursement. Amounts not paid within thirty (30) days are subject to a service charge of 1.5% per month or the highest rate permitted by law.

Tax Reporting Requirements

PSA will file the necessary tax returns under the EIN of the QSF, including federal and state returns. Payroll tax returns will be filed if necessary. Under the California Employment Development Department, all taxes are to be reported under the EIN of the QSF with the exception of the following taxes: Unemployment Insurance (UI) and Employment Training Tax (ETT), employer-side taxes, and State Disability Insurance (SDI), an employee-side tax. These are reported under Defendant's EIN. Therefore, to comply with the EDD payroll tax filing requirements we will need the following information:

1. Defendant's California State ID and Federal EIN.
2. Defendant's current State Unemployment Insurance (UI) rate and Employment Training Tax (ETT) rate. This information can be found in the current year DE 2088, Notice of Contribution Rates, issued by the EDD.
3. Termination dates of the class members, or identification of current employee class members, so we can account for the periods that the wages relate to for each class member.
4. An executed Power of Attorney (Form DE 48) from Defendant. This form is needed so that we may report the UI, SDI, and ETT taxes under Defendant's EIN on their behalf. If this form is not provided we will work with the EDD auditors to transfer the tax payments to Defendant's EIN.
5. Defendant is responsible for reporting the SDI portion of the settlement payments on the class member's W-2. PSA will file these forms on Defendant's behalf for an additional fee and will issue an additional W-2 for each class member under Defendant's EIN, as SDI is reported under Defendant's EIN rather than the EIN of the QSF. The Power of Attorney (Form DE 48) will be needed in order for PSA to report SDI payments.