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and Sonney L. Chong

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SACRAMENTO

**MICHELE PRYOR, as an individual and as
proxy for the California Labor and
Workforce Development Agency,**

Plaintiff,

v.

**SONNEY L. CHONG, DMD, INC., a
California Corporation; SONNEY L.
CHONG, an individual; and DOES 1-10,
inclusive,**

Defendants.

Case No.: 34-2020-00285342

**STIPULATION AND [PROPOSED] ORDER
APPROVING PAGA SETTLEMENT
AGREEMENT AND DISMISSING PAGA
CLAIMS WITH PREJUDICE**

STIPULATION

Plaintiff Michele Pryor (“Pryor” or “Plaintiff”) and Defendants Sonney L. Chong, DMD, Inc. and Sonney L. Chong (“Chong” or “Defendants”) (collectively, the “Parties”) hereby stipulate as follows:

1. Whereas, on or about July 1, 2020, counsel for Plaintiff sent a letter to the California Labor and Workforce Development Agency (“LWDA”) and Defendants, outlining violations of the Labor Code alleged to have occurred during Plaintiff’s employment with Defendants and to have impacted Plaintiff and other alleged aggrieved employees.

2. Whereas, Plaintiff Pryor was a former non-exempt employee who filed this lawsuit on September 17, 2020. The lawsuit included 11 causes of action, including one cause of action under the Labor Code Private Attorneys General Act of 2004 (“PAGA”) asserting a right to recover civil penalties on behalf of the State of California and all current and former non-exempt employees of Defendant in California for alleged: (1) minimum wage violations, (2) meal break violations, (3) rest break violations, (4) overtime violations, (5) failure to pay all wages at termination, (6) failure to furnish accurate itemized wage statements, and (7) failure to maintain accurate itemized wage statements.

3. Whereas, Defendants dispute that there is any merit to the claims alleged in this lawsuit and denies that it owes any amounts to Plaintiff or the allegedly aggrieved employees in connection with Plaintiff’s claims. In particular, Plaintiff was the only Registered Dental Assistant during her employment for Defendants, who employed approximately 11 employees during the relevant time frame, and she was one of few full-time employees. Consequently, Plaintiff had unique duties, work schedule, and work experiences as compared with other of Defendants’ employees.

4. Plaintiff does not dispute the unique nature of her position for Defendants.

5. Whereas, on May 3, 2021, the Parties engaged in lengthy, arms-length settlement negotiations that included a mediation of all claims before experienced mediator Russ Wunderli, Esq.

6. Whereas, through mediation, the Parties have reached a settlement of all claims,

1 including a settlement of the PAGA Claims for the total sum of \$2,500 ("PAGA Settlement
2 Amount").

3 7. Whereas, the Parties agree that, subject to this Court's approval, the PAGA
4 Settlement shall be distributed by Defendants, within 30 days of the Court's approval of the PAGA
5 Settlement, and in accordance with Labor Code section 2699(i):

- 6 a. Seventy-Five Percent (75%) of the PAGA Settlement Amount (\$1,875.0) shall be
7 paid to the California Labor and Workforce Development Agency;
- 8 b. Twenty-Five Percent of the PAGA Settlement (\$625), shall be paid in *pro rata*
9 shares, based on the number of pay periods worked, to those current and former
10 employees who worked for Defendants since July 1, 2019 (PAGA Employees).
- 11 c. Settlement Checks issued to PAGA Employees pursuant to this Agreement will
12 expire one hundred and eighty (180) days from the date they are issued by
13 Defendants. Any unclaimed funds after the 180-day period shall be remitted by
14 Defendants to the California Unpaid Wage Fund in the name of the Employee to
15 whom the unclaimed funds were issued.

16 8. Whereas, Plaintiff also asserted individual causes of action, including two causes of
17 action for wrongful termination. The Parties have separately resolved Plaintiff's individual claims
18 by way of a confidential settlement agreement, the confidentiality of which is a material term of the
19 agreement. Plaintiff's non-PAGA settlement does not require approval. "While California Labor
20 Code § 2699(1)(2) requires this court to approve any settlement agreement with respect to
21 plaintiffs' PAGA claims, the court is aware of no corresponding provision that imposes any duty
22 on this court to supervise settlement of plaintiffs' non-PAGA claims." *Tenorio v. Gallardo* (E.D.
23 Cal. Sept. 30, 2019) 2019 WL 4747949, *3.

24 9. Whereas, other than the amount Plaintiff is entitled to receive under the PAGA
25 Settlement Agreement (i.e., her pro-rata share of the PAGA penalties), no separate consideration
26 was given or offered to Plaintiff in connection with the resolution of the PAGA claims in this
27 action.

28 10. Whereas, the Parties acknowledge and agree that, if approved, the PAGA Settlement

1 Agreement will result in the complete and final resolution of the PAGA claims asserted in this
2 action and that the PAGA Claims in this action will be dismissed with prejudice.

3 11. Whereas, based on the information, evidence, and data reviewed by counsel for all
4 Parties, who have significant experience in evaluating PAGA claims, the PAGA Settlement
5 Amount provides fair and meaningful relief when weighed against the significant risks of
6 continued litigation. Although Plaintiff's counsel believe the PAGA claims have merit, they also
7 recognize that continued litigation could be lengthy and present a significant risk of no recovery,
8 particularly in light of Plaintiff's unique duties and work experience with Defendants, the ability of
9 the Court to reduce penalties pursuant to Labor Code section 2699(e)(2), and in light of small
10 number of PAGA Employees. For their part, Defendants strongly dispute the merits of Plaintiff's
11 claims and the extent of any actual violations, should they exist, but nonetheless agrees that this
12 settlement is appropriate given the cost and burden of continued litigation and the inherent risks in
13 any litigation.

14 12. Whereas, pursuant to California Labor Code section 2699(1)(2), Plaintiff's counsel
15 are providing a copy of this Stipulation and Proposed Order to the LWDA concurrently with the
16 filing of this Stipulation.

17 13. Whereas, should the Court not approve the PAGA Settlement Agreement, the
18 Parties agree to work together in good faith to remedy any concerns the Court may have regarding
19 the settlement.

20 14. THEREFORE, the Parties agree and jointly request that the Court issue an order
21 approving of the PAGA Settlement set forth herein and permitting the dismissal of the PAGA
22 Claims with prejudice.

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1 **IT IS SO STIPULATED AND AGREED BY THE PARTIES:**

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3 **DATED:** May 20, 2021

MAYALL HURLEY P.C.

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5 By _____



6 WILLIAM J. GORHAM, III
7 VLADIMIR J. KOZINA
8 Attorneys for Plaintiff

9 **DATED:** May 19, 2021

DUGGAN McHUGH LAW CORPORATION

10
11 By _____



12 JENNIFER DUGGAN
13 SAMANTHA TANNER
14 Attorneys for Defendants
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1 **ORDER**

2 Having received and reviewed the Parties' Stipulation and the attached PAGA Settlement
3 Agreement ("PAGA Settlement"), and good cause appearing:

4 IT IS HEREBY ORDERED that:

- 5 1. The Court finds the PAGA Settlement was entered into in good faith, that the
6 Settlement is fair, reasonable and adequate, and that the settlement satisfies the
7 standards and applicable requirements for approval of PAGA representative actions
8 under California law.
- 9 2. The Court approves the payments to be made to the PAGA Employees and the State of
10 California as set forth in the PAGA Settlement, pursuant to Labor Code § 2699(l).
- 11 3. Upon entry of this Order, the Parties shall effectuate all terms of the PAGA Settlement
12 based on the provisions and timelines set forth herein.
- 13 4. The PAGA Claims in this action are hereby dismissed with prejudice.
- 14 5. This Court shall retain jurisdiction with respect to all matters related to the
15 administration and consummation of the PAGA Settlement.
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17 **IT IS SO ORDERED.**

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19 Dated: _____
20 Judge of the Superior Court

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