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16 **Attorneys for Defendant,**
17 **Yreka Spartan, LLC, dba YREKA MOTORS**

18 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

19 **COUNTY OF SISKIYOU**

20 **TIFFANY SCHAFER, as proxy for the**
21 **California Labor and Workforce**
22 **Development Agency,**

23 **Plaintiff,**

24 **vs.**

25 **YREKA SPARTAN, LLC, dba YREKA**
26 **MOTORS; and DOES 1-10, inclusive,**

27 **Defendants.**

28 **Case No.: SCCVCVCV21-542**

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

STIPULATION

Plaintiff Tiffany Schafer (“Schafer” or “Plaintiff”) and Defendant Yreka Spartan, LLC, dba Yreka Motors (“Yreka Motors” or “Defendant”) (collectively, the “Parties”) hereby stipulate as follows:

1 1. Whereas, Plaintiff Schafer was a former non-exempt employee who filed this
2 lawsuit on May 17, 2020. The lawsuit is a single cause of action under the Labor Code Private
3 Attorneys General Act of 2004 ("PAGA") asserting a right to recover civil penalties on behalf of
4 the State of California and all current and former non-exempt employees of Defendant in
5 California for alleged: (1) failure to reimburse employees for employment expenses, (2) failure to
6 pay overtime at the applicable overtime rate for employees that earned bonus and/or commissions
7 during the same pay period in which overtime was earned (3) failure to pay sick time at the correct
8 rate, (4) failure to pay all wages at termination, and (5) failure to furnish accurate itemized wage
9 statements.

10 2. Whereas, Defendants dispute that there is any merit to the claims alleged in this
11 lawsuit and denies that it owes any amounts to Plaintiff or the allegedly aggrieved employees in
12 connection with Plaintiff's claims. For example, Defendant contends that it furnished employees
13 multiple uniform shirts, did not require employees to purchase additional shirts, but facilitated the
14 process if employees elected to do order more shirts.

15 3. Whereas, the parties have engaged in discovery that clarified the scope of alleged
16 violations as relatively narrow and potentially affecting only a small number of individuals.

17 4. Whereas, following arms-length settlement negotiations that followed three full
18 days of deposition testimony taken from several witnesses in a related matter, the Parties reached a
19 settlement of all claims, including a settlement of the PAGA Claims for the total sum of
20 **\$10,000.00** ("PAGA Settlement Amount").

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

24 a. Costs of **\$690** to Mayall Hurley PC for the following payments it made:

25 i. \$75 to the State of California Labor and Workforce Development Agency
26 ("LWDA") notice processing fee,

27 ii. \$435 to Siskiyou County Superior Court for filing cost of the complaint, and

28 iii. \$180 to Valpro Attorney Services for service of process fees

- 1 b. Seventy-Five Percent (75%) of the remaining \$9,310 of the PAGA Settlement
2 Amount shall be paid to the California Labor and Workforce Development Agency,
3 or **\$6,982.50**;
- 4 c. Twenty-Five Percent of the remaining \$9,310 PAGA Settlement, or **\$2,327.50**, shall
5 be paid in equal amounts to those current and former employees who worked for
6 Defendants at any point between March 13, 2020, and May 31, 2022 (PAGA Period
7 Employees). Distribution will be made *per capita*, without regard to length of
8 employment.
- 9 d. Settlement Checks issued to PAGA Employees pursuant to this Agreement will
10 expire one hundred and eighty (180) days from the date they are issued by
11 Defendants. Any unclaimed funds after the 180-day period shall be remitted by
12 Defendants to the California Unpaid Wage Fund in the name of the Employee to
13 whom the unclaimed funds were issued.

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

22 7. Whereas, other than the amount Plaintiff is entitled to receive under the PAGA
23 Settlement Agreement (*i.e.*, her *per capita* share of the PAGA penalties), no separate consideration
24 was given or offered to Plaintiff in connection with the resolution of the PAGA claims in this
25 action.

26 8. Whereas, the Parties acknowledge and agree that, if approved, the PAGA Settlement
27 Agreement will result in the complete and final resolution of the PAGA claims asserted in this
28 action and that the PAGA Claims in this action will be dismissed with prejudice.

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

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

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

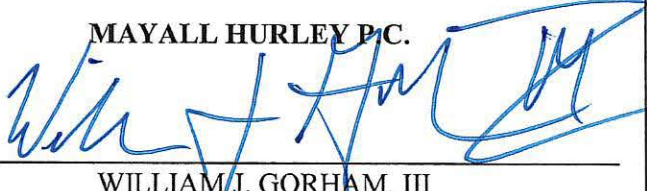
18 12. THEREFORE, the Parties agree and jointly request that the Court issue an order
19 approving of the PAGA Settlement set forth herein and permitting the dismissal of the PAGA
20 Claims with prejudice.

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

22
23 **DATED:** May 16, 2022

MAYALL HURLEY P.C.

24
25 By _____


WILLIAM J. GORHAM, III
Attorneys for Plaintiff

1 DATED: May 13, 2022

FINE, BOGGS, & PERKINS LLP

2
3 By

David J. Reese

Attorneys for Defendant

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IT IS HEREBY ORDERED that:

- IT IS SO ORDERED.**

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