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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO**

IFTIKHAR KHAN, individually, and on behalf of
other aggrieved employees pursuant to the
California Private Attorneys General Act;

Plaintiff,

vs.

PAC AUTO GROUP, INC., a California
corporation; and DOES 1 through 100, inclusive,

Defendants.

Case No.: CIVSB2132675

Honorable Stephanie Tanada
Department S33

**[PROPOSED] ORDER AND JUDGMENT
GRANTING APPROVAL OF PRIVATE
ATTORNEYS GENERAL ACT (CAL. LABOR
CODE § 2698, ET SEQ.) SETTLEMENT
AGREEMENT AND AWARD OF
ATTORNEYS' FEES AND COSTS, GENERAL
RELEASE FEE, AND SETTLEMENT
ADMINISTRATION COSTS**

Date: February 11, 2025
Time: 8:30 a.m.
Department: S33

Complaint Filed: November 17, 2021
Trial Date: None Set

1 This matter has come before the Honorable Stephanie Tanada in Department S33 of the Superior
2 Court of the State of California, for the County of San Bernardino, on February 11, 2025 at 8:30 a.m., on
3 Plaintiff Iftikhar Khan's ("Plaintiff") Motion for Approval of Private Attorneys General Act (Cal. Labor
4 Code § 2698, *Et Seq.*) Settlement Agreement and Award of Attorneys' Fees and Costs, General Release
5 Fee, and Settlement Administration Costs ("Motion for Approval of Settlement"). Lawyers *for* Justice, PC
6 appeared for Plaintiff and Madison Law, PC appeared for Defendant PAC Auto Group, Inc.
7 ("Defendant").

8 On or around October 17, 2024, Plaintiff and Defendant (together, the "Parties") executed the
9 Private Attorneys General Act Settlement Agreement and Release ("Settlement," "Settlement Agreement,"
10 or "Agreement").

11 The Court has reviewed and considered (1) the Motion for Approval of Settlement, (2) the
12 Declarations of Plaintiff's Counsel Matthew Richard Soto and Plaintiff Iftikhar Khan, and (3) the
13 Settlement Agreement.

14 Having duly considered the Parties' papers and oral argument, and good cause appearing,

15 **IT IS HEREBY ORDERED AND ADJUDGED AS FOLLOWS:**

16 1. The Motion for Approval of Settlement is granted.
17 2. All terms used herein shall have the same meaning defined in the Settlement Agreement.
18 3. Unless otherwise specified, all citations and references to the Private Attorneys General Act
19 of 2004, California Labor Code § 2698, *et seq.* ("PAGA") are to the version of the statute prior to the
20 recent amendment effective July 1, 2024; the amended statute does not apply to the above-captioned
21 action and the Settlement pursuant to California Labor Code § 2699(v)(1), as amended, because the above-
22 captioned action was filed prior to June 19, 2024.

23 4. The Court finds that Plaintiff has satisfied the prerequisites under PAGA, including, and not
24 limited to, providing the California Labor and Workforce Development Agency ("LWDA") and
25 Defendant with notice of the specific provisions of the California Labor Code alleged to have been
26 violated, including, and not limited to, the facts and theories to support the alleged violations, in
27 conformity with California Labor Code § 2699.3(a).
28

1 5. The Court also finds that the Settlement Agreement has been submitted to the LWDA in
2 conformity with California Labor Code § 2699(l)(2) and that the LWDA has not sought to intervene or
3 appear in the above-captioned action (“Action”).

4 6. The Settlement pertains to the following aggrieved employees:

5 All current and former hourly-paid or non-exempt employees who worked for Defendant in the
6 State of California during the PAGA Period (the “Aggrieved Employee(s)”).

7 7. The Court finds that the Parties reached the Settlement as a result of arm’s-length
8 negotiations.

9 8. Pursuant to California Labor Code § 2699(l)(2), the Court has reviewed the sum allocated
10 for payment of penalties under PAGA (“Net Settlement Amount”), and determines that it is fair, just,
11 reasonable, and adequate. The Court hereby approves the Net Settlement Amount. The Net Settlement
12 Amount shall be the Total Settlement Amount less the approved Attorneys’ Fees and Costs to Lawyers *for*
13 Justice, PC (“Plaintiff’s Counsel”), General Release Fee to Plaintiff, and Settlement Administration Costs
14 to Phoenix Class Action Administration, Inc. (the “PAGA Settlement Administrator” or “Phoenix”).
15 Seventy-five percent (75%) of the Net Settlement Amount will be distributed to the LWDA (“LWDA
16 Payment”); and the remaining 25% of the Net Settlement Amount will be distributed to the Aggrieved
17 Employees (“Employees’ Portion”) in accordance with this Order and Judgment and the Settlement
18 Agreement.

19 9. The Court has considered the Settlement, and the monetary allocations provided thereby,
20 and finds that they are fair, just, reasonable, and adequate. The Court hereby directs the PAGA Settlement
21 Administrator to administer the Settlement and to make the payments as provided for by, and consistent
22 with, this Order and Judgment and the Settlement Agreement.

23 10. The Court approves the payment of \$105,000.00 to Lawyers *for* Justice, PC for attorneys’
24 fees. This amount shall be paid from the Total Settlement Amount and shall be disbursed in accordance
25 with this Order and Judgment and the Settlement Agreement.

26 11. The Court approves the payment of \$16,153.22 to Lawyers *for* Justice, PC for
27 reimbursement of litigation costs and expenses incurred in the Action. This amount shall be paid from the
28 Total Settlement Amount and shall be disbursed in accordance with this Order and Judgment and the
Settlement Agreement.

1 12. The Court approves payment in the amount of \$10,000.00 to Plaintiff Iftikhar Khan for his
2 General Release Fee. This amount shall be paid from the Total Settlement Amount and shall be disbursed
3 in accordance with this Order and Judgment and the Settlement Agreement.

4 13. The Court approves payment up to the amount of \$7,000.00 to Phoenix for the Settlement
5 Administration Costs. This amount shall be paid from the Total Settlement Amount and shall be disbursed
6 in accordance with this Order and Judgment and the Settlement Agreement.

7 14. The Parties are directed to perform in accordance with the terms set forth in this Order and
8 Judgment and the Settlement Agreement.

9 15. The Court further finds that notice of the Settlement need not be provided to the Aggrieved
10 Employees; however, the Court approves the Cover Letter, attached hereto as “**EXHIBIT 1**,” and the
11 PAGA Settlement Administrator shall distribute the Cover Letter to the Aggrieved Employees at the same
12 time that it distributes payments to Aggrieved Employees for their share of the Employees’ Portion
13 (“Individual Settlement Share”).

14 16. No later than 7 calendar days after the date of this Order and Judgment, Defendant will
15 provide the PAGA Settlement Administrator with the Aggrieved Employees List, in accordance with this
16 Order and Judgment and the Settlement Agreement.

17 17. No later than 14 calendar days of the date of this Order and Judgment, Defendant shall
18 deposit the Total Settlement Amount into a qualified settlement account established, by the PAGA
19 Settlement Administrator for administration of the Settlement in accordance with this Order and Judgment
20 and the Settlement Agreement.

21 18. No later than 14 calendar days after the PAGA Settlement Administrator receives the
22 Aggrieved Employees List and Defendant fully funds the Total Settlement Amount, the PAGA Settlement
23 Administrator shall distribute the Cover Letter with Individual Settlement Share checks to all Aggrieved
24 Employees (together, the “PAGA Settlement Packages”), the LWDA Payment to the LWDA, the General
25 Release Fee to Plaintiff, the Settlement Administration Costs to itself (only after the PAGA Settlement
26 Packages have been mailed to all Aggrieved Employees), and the Attorneys’ Fees and Costs to Plaintiff’s
27 Counsel (unless instructed otherwise by Plaintiff’s Counsel), as provided for by this Order and Judgment
28 and the Settlement Agreement.

1 19. The Individual Settlement Share checks issued to Aggrieved Employees shall remain valid
2 and negotiable for 90 calendar days, and thereafter, shall be canceled. Funds associated with such
3 canceled checks shall be transmitted by the PAGA Settlement Administrator to the California State
4 Controller's Office Unclaimed Property Division in the name of the Aggrieved Employee(s) at issue and
5 in the amount of their respective Individual Settlement Share(s).

6 20. Aggrieved Employees shall not have the right to opt out of or object to the Settlement.
7 Upon the date the Court has entered this Order and Judgment approving the Settlement Agreement and full
8 funding of the Total Settlement Amount, and except as to the rights and obligations created by the
9 Settlement Agreement, Plaintiff and the State of California with respect to Aggrieved Employees, will be
10 deemed to have knowingly and voluntarily released and forever discharged Released Parties, to the full
11 extent permitted by law, of and from the Action and from the Released Claims.

12 21. "Released Parties" means Defendant, including Defendant's parent corporation, affiliates,
13 subsidiaries, divisions, predecessors, insurers, successors and assigns, and their current and former
14 employees, attorneys, officers, directors and agents thereof, both individually and in their business
15 capacities, and their employee benefit plans and programs and the trustees, administrators, fiduciaries and
16 insurers of such plans and programs (collectively, the "Released Parties").

17 22. "Released Claims" means any and all claims, arising during the PAGA Period, for civil
18 penalties under California Labor Code section 2698, *et seq.* ("PAGA") as well as any interest, fees, and
19 costs available under PAGA, based on the factual allegations in the Operative Complaint, including but
20 not limited to, for failure to pay minimum, regular, and overtime wages, failure to provide compliant meal
21 periods and associated premiums, failure to provide compliant rest periods and associated premiums,
22 failure to timely pay wages during employment, failure to timely pay wages upon termination, failure to
23 provide compliant and accurate wage statements, failure to maintain complete and accurate payroll
24 records, failure to reimburse necessary business-related expenses and costs, in violation of California
25 Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197,
26 1197.1, 1198, 2800, and 2802 and Industrial Welfare Commission Wage Orders, including *inter alia*,
27 Wage Orders 4-2001 and 7-2001.

28 23. "PAGA Period" means the period from September 13, 2020 to January 15, 2025.

1 24. No individualized notice of this Order and Judgment is required to be provided to the
2 Aggrieved Employees. This Order and Judgment shall be submitted to the LWDA through the online
3 system established for the filing of notices and documents, in conformity with California Labor Code §
4 2699(1)(3).

5
6
7 Date: _____

Honorable Stephanie Tanada
Judge of the Superior Court

EXHIBIT 1

Exhibit A

<<Mailing Date>>

To: <<First Name>><<Last Name>>
<<Street Address>>
<<City>> <<State>> <<Zip>>

Re: Settlement Payment from *Iftikhar Khan v. PAC Auto Group Inc.*, San Bernardino County Superior Court Case No. CIVSB32675

Dear <<First Name>><<Last Name>>:

Please find enclosed a check in the amount of <<amount of payment>> (“Individual Settlement Share”). This check is your payment from the settlement in the lawsuit entitled *Iftikhar Khan v. PAC Auto Group Inc.*, San Bernardino County Superior Court Case No. CIVSB32675 (“Action”).

The lawsuit was filed on November 17, 2021 by Iftikhar Khan (“Plaintiff”) against his former employer, on behalf of the State of California, with respect to himself and other alleged aggrieved employees, to seek recovery of civil penalties pursuant to the Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”), for multiple alleged violations of the California Labor Code and Industrial Welfare Commission Wage Orders, including, *inter alia*, for failure to properly pay minimum and overtime wages, failure to provide compliant meal and rest periods and associated premiums, failure to pay wages during employment and upon termination, failure to provide compliant wage statements, failure to maintain requisite payroll records, and failure to reimburse business expenses. Prior to filing the lawsuit, on September 13, 2021, Plaintiff submitted a letter to the California Labor and Workforce Development Agency (“LWDA”), pursuant to PAGA, to provide notice of his intent to seek civil penalties under PAGA for Defendant’s alleged violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Orders 4-2001 and 7-2001, thereby initiating LWDA Case Number LWDA-CM-844386-21 (the “PAGA Notice”).

Defendant denies Plaintiff’s allegations and denies any wrongdoing of any kind associated with Plaintiff’s allegations. A settlement was reached between Plaintiff and Defendant PAC Auto Group, Inc. (“Defendant”). On << Date>>, the settlement was approved by the Court, with a portion to be paid to the LWDA and a portion to be paid to all current and former hourly-paid or non-exempt employees who worked for Defendant in the State of California during the period September 13, 2020 to [90 days after execution of Settlement Agreement] (“Aggrieved Employees”). The period September 13, 2020 to [90 days after execution of Settlement Agreement] is the “PAGA Period”.

You are receiving a portion of the settlement (the enclosed Individual Settlement Share) because you have been identified as an Aggrieved Employee. Your Individual Settlement Share is based on the total number of pay periods you worked for Defendant in California during the PAGA Period. The Individual Settlement Share is designated 100% penalties and will be reported on IRS Form 1099. You are responsible for paying any taxes that may be due as a result of any payment issued to you under the settlement and should consult a tax advisor regarding the tax consequences of such payment.

Under the settlement, as of <<date of entry of order by the Court approving the Settlement>>, the Released Parties were fully released and forever discharged from any and all Released Claims.

“Released Parties” means Defendant, including Defendant’s parent corporation, affiliates, subsidiaries, divisions, predecessors, insurers, successors and assigns, and their current and former employees, attorneys, officers, directors and agents thereof, both individually and in their business capacities, and their employee benefit plans and programs and the trustees, administrators, fiduciaries and insurers of such plans and programs.

“Released Claims” means any and all claims, arising during the PAGA Period, for civil penalties under California Labor Code section 2698, *et seq.* (“PAGA”) as well as any interest, fees, and costs available under PAGA, based on the factual allegations in the Operative Complaint, including but not limited to, for failure to pay minimum, regular, and overtime wages, failure to provide compliant meal periods and associated premiums, failure to provide compliant rest periods and associated premiums, failure to timely pay wages during employment, failure to timely pay wages upon termination, failure to provide compliant and accurate wage statements, failure to maintain complete and accurate payroll records, and failure to reimburse necessary business-related expenses and costs, in violation of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Order 4-2001 and 7-2001.

The enclosed check is valid for 90 days from the original date of issuance and mailing, and if it is not cashed, deposited, or otherwise negotiated within the 90-day timeframe, it will be canceled, and the funds associated with the canceled check will be transmitted to the State Controller’s Office Unclaimed Property Division in your name and in the amount of your respective Individual Settlement Share.

Do not call or write the Court, Office of the Clerk of the Court, Defendant, or Defendant’s counsel to ask questions about the settlement or to ask tax-related questions. If you have any such questions, you may contact [PAGA Settlement Administrator] at [toll-free phone number].