

NOTICE OF CLASS ACTION SETTLEMENT

Saul Andrade v. Mach 1 Global Services, Inc., Alameda County Superior Court Case No. RG20069104 (“PAGA Action” and “Lead Case”) and *Saul Andrade v. Mach 1 Global Services, Inc.*, Alameda County Superior Court Case No. RG21108078 (“Class Action”)

As a current or former hourly-paid or non-exempt employee who worked for Mach 1 Global Services, Inc. in the State of California, you are entitled to receive money from a class action settlement.

Please read this Notice carefully. This Notice relates to a proposed settlement of class action and Private Attorneys General Act litigation. It contains important information about your right to receive a settlement payment.

You have received this Notice of Class Action Settlement because the records of Mach 1 Global Services, Inc. (“Defendant” or “Mach 1”) show you are a Class Member, and therefore entitled to a payment from this class action settlement. “Class Member(s)” are all hourly-paid or non-exempt employees who worked for Defendant within the State of California at any time from July 28, 2016 to March 22, 2023 (“Class Period”). If you are a member of the PAGA Aggrieved Employee Group, you are also entitled to a payment from the Private Attorney General Act settlement. The “PAGA Aggrieved Employee Group” consists of all current and former hourly-paid or non-exempt employees who worked for Defendant within the State of California at any time from May 21, 2019 to March 22, 2023 (“PAGA Period”).

- The settlement resolves two cases: A case brought under the California Private Attorneys General Act (“PAGA”) captioned *Saul Andrade v. Mach 1 Global Services, Inc.*, Alameda County Superior Court Case No. RG20069104 and a putative class action captioned *Saul Andrade v. Mach 1 Global Services, Inc.*, Alameda County Superior Court Case No. RG21108078. The cases have been consolidated under the PAGA Action. They are collectively called the Lawsuit.
- On May 21, 2020, a letter was sent on behalf of Plaintiff to the Labor Workforce and Development Agency and Defendant of his intent to pursue civil penalties under the California Private Attorneys General Act, California Labor Code § 2698, et seq., as a proxy of the State of California, for alleged violation of the California Labor Code and applicable Industrial Welfare Commission Wage Orders with respect to alleged aggrieved employees, which was assigned LWDA Case No. LWDA-CM-787579-20 (“PAGA Notice”). The Complaint for Enforcement Under The Private Attorneys General Act, California Labor Code § 2698, et seq. was filed in the PAGA Action on July 28, 2020 (“PAGA Complaint”) and the Class Action Complaint for Damages was filed in the Class Action on June 25, 2021 (“Class Action Complaint”). The Lawsuit asserts claims for (1) unpaid overtime; (2) unpaid meal period premiums; (3) unpaid rest period premiums; (4) unpaid minimum wages; (5) failure to timely pay final wages; (6) failure to timely pay wages during employment; (7) non-compliant wage statements; (8) failure to keep requisite payroll records; (9) failure to reimburse for business expenses; (10) violation of California Business and Professions Code § 17200; and (11) civil penalties under the California Private Attorneys General Act, California Labor Code § 2698, et seq.
- On March 22, 2023 the parties entered the First Amended Class and Representative Action Settlement Agreement and Release of Claims (“Settlement Agreement”).
- On March 22, 2023, the Alameda County Superior Court granted preliminary approval of the settlement and ordered that all Class Members be notified of the settlement. The Court has not made any determination of the validity of the claims in the Lawsuit. Defendant vigorously denies the claims in the Lawsuit and contends that it fully complied with all applicable laws.

Why Am I Receiving This Notice?

Defendant’s records show that you worked for Defendant in California and were paid on an hourly basis during the period July 28, 2016 through March 22, 2023. You were sent this Notice to inform you about a proposed settlement of the Lawsuit, and about your options, before the Court decides whether to finally approve the settlement. If the Court approves the settlement (and then any objections and appeals are resolved) a Settlement Administrator appointed by the Court will make the payments described in this Notice. This Notice explains the Lawsuit, the settlement, your legal rights and options, what payments may be available to you under the settlement, and how to receive the payments.

Your Estimated Settlement Award

As detailed below, Defendant’s records indicate that your **Eligible Workweeks** are:

For the **Class Period**: [Eligible Workweeks]

For the **PAGA Period**: [Eligible Workweeks]

Based on these Eligible Workweeks, your **estimated payment(s)** under the settlement is/are:

Estimated Gross Individual Settlement Payment (for the Class Settlement) is [Estimated Gross Individual Settlement Payment]

Estimated PAGA Settlement Payment for the PAGA Settlement is [Estimated Gross PAGA Settlement Payment]

What Is This Case About?

Saul Andrade was an hourly-paid, non-exempt employee for Defendant in California. He is the “Plaintiff” in the Lawsuit and is suing on behalf of himself, Class Members, and the State of California as a proxy pursuant to PAGA, for the claims outlined above. Defendant denies all of the allegations made by Plaintiff and denies that it violated any law. The Court has made no ruling on the merits of Plaintiff’s claims. The Court has only preliminarily approved this settlement. The Court will decide whether to give final approval to the settlement at the Final Approval Hearing.

Summary Of Distribution Formula

Plaintiff and Defendant have agreed to settle the Lawsuit for the Gross Settlement Amount of \$360,000. The Gross Settlement Amount includes: (1) Settlement Administration Costs, currently estimated not to exceed \$7,000 to the Settlement Administrator; (2) a service payment of up to \$5,000 to Plaintiff for his time and effort in pursuing the Lawsuit; (3) up to \$120,000 in attorneys’ fees (one third of the Gross Settlement Amount) to Class Counsel and reimbursement of litigation costs and expenses incurred by Class Counsel in the amount of up to \$24,000 to Class Counsel; and (4) an allocation to PAGA penalties in the amount of \$36,000, seventy-five percent (i.e., \$27,000.00) of which will be paid to the California Labor & Workforce Development Agency (“LWDA”) and the remaining twenty-five percent (\$9,000.00)(the “PAGA Settlement Fund”) of which will be distributed to members of the PAGA Aggrieved Employee Group. The amount left over after deducting these sums is called the “Net Settlement Amount” that is available for distribution to Class Member who do not submit timely and valid Requests for Exclusion seeking to opt out of the Class Settlement (“Settlement Class Members”). The Net Settlement Amount is estimated to be approximately \$168,000.00.

Individual Settlement Payment Calculation

Class Members who do not opt out of the Class Settlement (i.e., Settlement Class Members) will receive a pro rata portion of the Net Settlement Amount (the “Individual Settlement Payment”) based on the number of workweeks worked (i.e. performed work and received pay for working) from July 28, 2016 through March 22, 2023 (“Eligible Workweeks”). The Individual Settlement Payment will be calculated by dividing the number of Eligible Workweeks attributed to the Settlement Class Member by all Eligible Workweeks attributed to members of the Settlement Class Members, multiplied by the Net Settlement Amount. Otherwise stated, the formula for a Settlement Class Member is: (individual’s Eligible Workweeks ÷ total Settlement Class Eligible Workweeks) * Net Settlement Amount.

PAGA Settlement Payment Calculation

Members of the PAGA Aggrieved Employee Group will receive a pro rata portion of the PAGA Settlement Fund of \$9,000 (“PAGA Settlement Payment”) based on the number of Eligible Workweeks worked from May 21, 2019 through March 22, 2023 (“PAGA Eligible Workweeks”). Specifically, these payments will be calculated by dividing the individual’s PAGA Eligible Workweeks by the total of the PAGA Eligible Workweeks for all members of the PAGA Aggrieved Employee Group, multiplied by the PAGA Settlement Fund (\$9,000). Otherwise stated, the formula for a PAGA Aggrieved Employee Group member’s PAGA Settlement Payment is: (individual’s PAGA Eligible Workweeks ÷ total of PAGA Eligible Workweeks for all members of the PAGA Aggrieved Employee Group) * \$9,000.

Calculation of Your Settlement Payments

As summarized on page 1 of this Notice, Defendant’s records indicate that you performed work and received pay for working [Eligible Workweeks] as an hourly-paid or non-exempt employee in California between July 28, 2016 and March 22, 2023, and [PAGA Eligible Workweeks] as an hourly-paid or non-exempt employee in California between May 21, 2019 and March 22, 2023. Based on these records, your estimated Individual Settlement Payment would be [\$Estimated Award] and your estimated PAGA Settlement Payment would be [\$Estimated Award].

If you believe this information is incorrect and wish to dispute it, you must submit a written letter to the Settlement Administrator that: (1) contains the name and case number of the Consolidated Action (i.e., *Andrade v. Mach 1 Global Services, Inc.*, Alameda County Superior Court Case No. RG20069104); (2) contains your full name, telephone number, last four digits of their social security number, and your current address; (3) contains a clear statement that you dispute the number of Eligible Workweeks credited to you and what you contends is the correct number to be credited to you; (4) contains information and/or attach documentation demonstrating that the number of Eligible Workweeks that you contend should be credited to you are correct; and (5) is returned by fax or mail to the Settlement Administrator at the address and/or facsimile number specified below, postmarked or fax-stamped on or before July 14, 2023:

Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863
Facsimile: (949) 209-2503
www.phoenixclassaction.com/andrade-v-mach-1-global-services/

Tax Reporting

Twenty percent (20%) of each Individual Settlement Payment will be allocated as wages and reported on an IRS Form W-2; and eighty percent (80%) will be allocated as penalties and interest and reported on an IRS Form 1099. One hundred percent (100%) of each PAGA Settlement Payment will be allocated as penalties and reported on an IRS Form 1099.

This notice is not intended to provide legal or tax advice regarding any settlement payment. You should consult your own legal counsel or tax professional regarding any taxes you may owe as a result of receiving a payment under this settlement.

Your Options Under the Settlement

Option 1 – Do Nothing and Receive Your Payment

If you are a Class Member, you do not need to take any action to receive the Individual Settlement Payment. If you are a member of the PAGA Aggrieved Employee Group, you do not need to take any action to receive the PAGA Settlement Payment. All Class Members who do not opt out of the Class Settlement will be bound to the Class Settlement. Class Members who opt out of the Class Settlement shall not affect the PAGA Settlement and all members of the PAGA Aggrieved Employee Group will be precluded from acting as an agent and proxy of the State of California and Labor and Workforce Development Agency to bring or otherwise pursue Released PAGA Claims against any of the Released Parties.

Class Settlement and Release of Released Class Claims

Unless you opt out of the Class Settlement (Option 2 below), by operation of the entry of the Final Approval Order and Judgment, and except as to rights the Settlement Agreement creates, you will be bound by the Class Settlement and will fully release the Released Parties from the Released Class Claims.

The “Class Settlement” is the settlement and release of Released Class Claims.

“Released Class Claims” are all claims under state, federal, or local law, whether statutory, in tort, contract, or otherwise, pleaded in the Class Action Complaint, or that could have been pleaded based on the facts pleaded in the Class Action Complaint, arising during the period July 28, 2016 through and including March 22, 2023, against Released Parties, including but not limited to claims under the California Labor Code (but not including California Labor Code § 2698, et seq.), California Industrial Welfare Commission Wage Orders, regulations, and/or other provisions of law, for failure to pay all wages due (including minimum wage and overtime wages), failure to pay for all hours worked (including off-the clock work), failure to provide meal and rest periods, short/late meal and rest periods, failure to relieve of all duties during meal and rest periods, failure to pay or underpayment of meal and rest break premiums, auto-deduction of meal periods, failure to timely pay wages, failure to timely pay final wage, failure to maintain payroll and employment records, failure to furnish accurate wage statements including claims derivative and/or related to these claims, liquidated damages, conversion of wages, pre and post-shift work, record-keeping violations, claims regarding failure to reimburse business expenses, and unfair business practices pursuant to California Business & Professions Code § 17200 et seq. based on the aforementioned.

“Released Parties” are Mach 1 Global Services, Inc. and all of its predecessors, successors, subsidiaries, parents, corporate affiliates, assigns, and related entities, and all of their respective officers, directors, employees, agents, servants, registered representatives, attorneys, insurers, successors and assigns, and any other persons acting by, through, under or in concert with any of them.

PAGA Settlement and Release of Released PAGA Claims

By operation of the entry of the Final Approval Order and Judgment, Plaintiff, as an agent and proxy of the State of California and LWDA, shall fully release the Released Parties from the Released PAGA Claims. Class Members who opt out of the Class Settlement shall not affect the PAGA Settlement and all members of the PAGA Aggrieved Employee Group will be precluded from acting as an agent and proxy of the State of California and Labor and Workforce Development Agency to bring or otherwise pursue Released PAGA Claims against any of the Released Parties.

The “PAGA Settlement” is the settlement and release of Released PAGA Claims.

“Released PAGA Claims” are all claims that the State of California or LWDA could bring, for which civil penalties are recoverable under California Labor Code § 2698, et seq. for violations of the California Labor Code and California Industrial Welfare Commission Wage Orders with respect to Defendant’s employment of members of the PAGA Aggrieved Employee Group, that were raised in the PAGA Notice and/or PAGA Complaint, or reasonably could have been raised in the PAGA Notice and/or PAGA Complaint (defined below), arising during the PAGA Period against Release Parties, including but not limited to all claims for violations of the California Labor Code and California Industrial Welfare Commission Wage Orders for failure to pay all wages due (including minimum wage and overtime wages), failure to pay for all hours worked (including off-the clock work), failure to provide meal and rest periods, short/late meal and rest periods, failure to relieve of all duties during meal and rest periods, failure to pay or underpayment of meal and rest break premiums, auto-deduction of meal periods, failure to timely pay wages, failure to timely pay final wage, failure to maintain payroll and employment records, failure to furnish accurate wage statements including claims derivative and/or related to these claims, conversion of wages, pre and post-shift work, record-keeping violations, and claims regarding failure to reimburse business expenses.

Option 2 – Opt Out of the Class Settlement

If you do not wish to participate in the Class Settlement, you may exclude yourself by submitting a valid and timely, written, opt-out request which must: (1) contain the name and case number of the Consolidated Action (i.e., *Andrade v. Mach 1 Global Services, Inc.*, Alameda County Superior Court Case No. RG20069104), (2) contain your full name, signature, address, telephone number, and the last four digits of the social security number, (3) contain a clear statement that you do not wish to be included in the Class Settlement, and (4) be returned to the Settlement Administrator at the address specified below, postmarked or fax-stamped on or before July 14, 2023:

Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863

Facsimile: (949) 209-2503/wwwphoenixclassaction.com/andrade-v-mach-1-global-services/

If you timely and validly exclude yourself from the Class Settlement, then you will not be issued an Individual Settlement Payment. You also will not be bound by the Class Settlement set forth in Option 1 above.

The proposed settlement also includes the settlement of claims for civil penalties under PAGA. If the court approves the settlement, all members of the PAGA Aggrieved Employee Group will be issued an PAGA Settlement Payment. Class Members who opt of the Class Settlement shall not affect the PAGA Settlement and all members of the PAGA Aggrieved Employee Group will be precluded from acting as an agent and proxy of the State of California and Labor and Workforce Development Agency to bring or otherwise pursue Released PAGA Claims against any of the Released Parties.

Option 3 – Make an Objection to the Class Settlement

If you wish to object to the Class Settlement you may submit an objection in writing (“Notice of Objection”). Your Notice of Objection must: (1) contain the name and case number of the Consolidated Action (i.e., *Andrade v. Mach 1 Global Services, Inc.*, Alameda County Superior Court Case No. RG20069104), (2) contain your full name, signature, address, telephone number, and the last four digits of the social security number, (3) contain a statement of the specific reason(s) for the objection, (4) attach all evidence and supporting papers (including, without limitation, all briefs, written evidence, and declarations) upon which the objection is based; and (5) be returned to the Settlement Administrator at the address specified below, postmarked or fax-stamped on or before July 14, 2023:

Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863
Facsimile: (949) 209-2503

You can also attend the Final Approval Hearing (discussed below), and orally present your objection to the Class Settlement, to the Court.

Please note that you cannot both object to the Class Settlement and exclude yourself from the Class Settlement (pursuant to Option 2 above). If you do not opt out of the Class Settlement and if you object to the Class Settlement, if the Court grants final approval of the settlement, you will be bound by the Class Settlement (because all Class Members who do not opt out of the Class Settlement are bound to the Class Settlement).

Final Approval Hearing

You may, if you wish, also appear at the Final Approval Hearing set for October 27, 2023, 9:00 a.m., in Department 21 of the Superior Court of California for the County of Alameda, located at Administration Building 1221 Oak Street Oakland, California 94612, and discuss your objections with the Court. You may also retain an attorney to represent you at the Final Approval Hearing at your own expense.

Hearings before the judge overseeing this case are again being conducted in person. However, remote appearances are still permitted, and are offered with the assistance of a third-party service provider, BlueJeans or Zoom. If that remains the case at the time of the Final Approval Hearing, Class Members who wish to appear at the Final Approval Hearing remotely should visit the following website to obtain the latest information regarding how to remotely appear: <https://www.alameda.courts.ca.gov/general-information/remotely-appearances>. If you wish to appear at the Final Approval Hearing remotely, you will most likely need to register an account on the eCourt Public Portal which provides the public with online access to civil case records; you will need to use the eCourt Public Portal to check for the Tentative Ruling prior to the Final Approval Hearing, which may contain specific information regarding how to remotely appear in Department 21. Otherwise, you may need to e-mail Department 21 to obtain remote appearance information: Dept21@alameda.courts.ca.gov

Additional Information

This Notice of Class Action Settlement is only a summary of this case and the settlement. For further information regarding the Class Action or PAGA Action, or to obtain online access to civil case records in the Class Action or PAGA Action (including, and not limited to, papers filed with the Court relating to the settlement), you may visit the eCourt Public Portal: <https://eportal.alameda.courts.ca.gov/>

You may also call the Settlement Administrator at (800) 523-5773 or contact Class Counsel as follows:

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You may also refer to the pleadings, the Settlement Agreement, and other papers filed in this case, which may be inspected at the Office of the Clerk of Alameda County Superior Court, located at 24405 Amador Street, Hayward, California 94544, during regular business hours of each court day.

**PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE,
MACH 1, OR MACH 1’S ATTORNEYS WITH INQUIRIES.**