

LOS ANGELES COUNTY SUPERIOR COURT
NOTICE OF SETTLEMENT OF CLASS ACTION

Khan v. Atlas Air, Inc.

If you were employed by Atlas Air, Inc. as a non-exempt employee in California at any time between October 21, 2016 and May 31, 2022, a class action settlement may affect your rights.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. The Los Angeles County Superior Court has authorized this notice in the matters of *Khan v. Atlas Air, Inc.*, Case No. 20STCV40478 (the “**Litigation**”). This is not a solicitation from a lawyer.

- Ghufran Khan (“**Plaintiff**”) was a non-exempt ground employee employed by Atlas Air, Inc. (“**Defendant**”) in California. Plaintiff filed a lawsuit against Defendant on October 21, 2020.
- Plaintiff claims that Defendants failed to: pay minimum wages for all hours worked, pay all overtime wages due; pay for work performed off-the-clock; provide meal periods; authorize and permit rest breaks; provide accurate wage statements; reimburse all reasonable business expenses; ensure all deductions were proper and prevent improper deductions; maintain full and complete records regarding employment as required by California law; and, timely pay all wages after separation from employment. Plaintiffs, also claim that Defendants are liable for civil penalties under the Private Attorneys General Act (“**PAGA**”).
- Defendant disputes Plaintiff’s claims. Defendant expressly and specifically denies violating any laws and contends it acted properly and lawfully at all relevant times.
- For settlement purposes only, the Court has conditionally certified the Litigation to be a class action on behalf of all non-exempt ground employees employed by Defendant in California from October 21, 2016 to May 31, 2022 (the “**Class Period**”).

Your legal rights may be affected by this Settlement whether you act or do not act. Your options are explained in this notice. Thus, please read this notice carefully and in its entirety. To request to be excluded from, or object to, this Settlement, you must act before **October 19, 2022**.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT:

(1) DO NOTHING

(1) Receive part of the Settlement.

If you do not do anything upon receipt of this notice, you will receive a sum of money based on your dates of employment with Defendant; you will give up your right to sue for alleged violations and related claims released by the Settlement; you will have no right to appeal; and you will forfeit your right to bring or participate in a similar action against Defendant.

(2) OPT-OUT

(2) Opt-out or exclude yourself from the Settlement. Get no benefits from it.

If you make a valid and timely written request to be excluded from the Settlement, you will not receive any money, and you will not give up any rights you may have.

(3) OBJECT

(3) Write to the Court about why you object to the Settlement.

If you object to the Settlement, you can write to the Court about why you don’t agree with the Settlement. The Court may or may not agree with your objection. If the Court approves the Settlement, you will still be bound by its terms.

THIS LEGAL NOTICE AFFECTS YOUR RIGHTS. PLEASE READ IT CAREFULLY. NO MATTER WHICH OPTION YOU CHOOSE, DEFENDANT WILL NOT RETALIATE AGAINST YOU.

WHAT THIS NOTICE CONTAINS:

I. BACKGROUND OF THE CASE	Page 2
II. SUMMARY OF THE PROPOSED SETTLEMENT	Page 2
A. What Are the Terms of the Settlement?	Page 2
B. Who is Included in the Settlement?	Page 3
C. How are Settlement Payments Calculated?	Page 3
D. Your Settlement Calculation	Page 3
E. Release of Claims Against Defendants	Page 4
III. LEGAL RIGHTS AND OPTIONS OF CLASS MEMBERS	Page 4
A. Do Nothing and Receive a Settlement Payment	Page 4
B. Exclude Yourself from the Settlement	Page 4
C. Object to the Settlement	Page 4
IV. FINAL SETTLEMENT APPROVAL HEARING	Page 5
V. ADDITIONAL INFORMATION	Page 5

You are receiving this notice because the Los Angeles County Superior Court has granted preliminary approval to a class action settlement for settlement purposes only, and Defendants’ records indicate that you may be a member of the settlement Class. As such, you may be eligible for compensation from this Settlement.

As a Class Member, your interests are being represented at no expense to you by Justin Lo of Work Lawyers, P.C. (“**Class Counsel**”). You may also hire your own lawyer at your own expense.

I. BACKGROUND OF THE CASE

On October 21, 2020, Plaintiff filed a representative action in Los Angeles County Superior Court (“**the Court**”) on behalf of all current and former non-exempt hourly employees employed by Defendant in California (referred to as “**Class Members**”). On May 5, 2022, Plaintiff filed a First Amended Complaint (“FAC”) adding class claims. The FAC made claims for: (1) violation of Labor Code §§ 226.7 and 512 (meal period violations); (2) violation of Labor Code § 226.7 (rest break violations); (3) violation of Labor Code §§ 204, 510, 1194 (failure to pay all wages, including off-the-clock, minimum wages, and overtime wages); (4) violation of Labor Code §§ 201-203 (failure to pay wages due at separation of employment); (5) violation of Labor Code §§ 226(a), (e); (6) violation of Labor Code § 2802 (failure to reimburse business expenses and improper deductions); (7) violation of Business & Professions Code §§ 17200, *et seq.* (unfair business practices).

The Parties thoroughly investigated the case. Plaintiff and Defendant were then able to agree on a Settlement of the case with the assistance of a professional mediator. **Class Counsel believe the Settlement is fair, reasonable, and in the best interests of the Class.** Defendant expressly and specifically denies any liability or wrongdoing of any kind associated with the claims alleged in the Litigation. Defendant settled the Litigation in order to avoid costly, disruptive, and time-consuming litigation.

On August 11, 2022, the Court gave preliminary approval to the Settlement and conditionally certified the settlement Class for settlement purposes only. The Court was not asked to make and did not make any ruling as to whether any violations by Defendant had occurred.

II. SUMMARY OF THE PROPOSED SETTLEMENT

A. What Are the Terms of the Settlement?

Defendant have agreed to pay \$170,000.00 to settle the Litigation (“Gross Settlement Amount”). The Gross Settlement Amount includes attorneys’ fees and costs, costs of settlement administration, PAGA penalties, and the Class Representative Service Payments.

The “Net Settlement Fund” is the remainder of the Gross Settlement Amount after the deductions have been made for the following items: (1) up to \$56,666.66 (33 1/3% of the Gross Settlement Amount) for Class Counsel’s attorneys’ fees; (2) Class Counsel’s actual litigation costs up to \$15,000; (3) the costs of settlement administration of \$4,500; (4) \$20,000 for PAGA penalties; and (5) up to \$3,000 to Plaintiff for serving as a Class Representatives.

B. Who is Included in the Settlement?

Included in the Settlement are all non-exempt, or equivalent positions however titled, ground employees employed by Defendant in California between October 21, 2016, and May 31, 2022.

C. How Are Settlement Payments Calculated?

There are approximately 38 Class Members. Any Class Member who does not submit a written request to be excluded from the Settlement will have his or her "Settlement Payment" calculated as follows:

- a. All Participating Class Members: The Net Settlement Fund totaling at least \$75,833.34 will be divided among all Participating Class Members. Each Participating Class Member will receive a proportionate share of the Net Settlement that is equal to (i) the number of workweeks he or she worked during the time period from October 21, 2016 through May 31, 2022, divided by (ii) the total number of workweeks worked by all Participating Class Members during the time period from October 21, 2016 through May 31, 2022.
- b. PAGA Subclass: The Settlement designates a total of \$20,000.00 as penalties under the PAGA. From this amount, \$5000.00 (25%) will be allocated to the PAGA Subclass, which includes all Class Members who were employed at any time during the time period from October 21, 2019, through May 31, 2022 ("PAGA Period"). The remainder of the PAGA penalties will be paid to the California Labor and Workforce Development Agency, as required by law. Each member of the PAGA Subclass will receive a proportionate share of money allocated to that Subclass that is equal to (i) the number of workweeks he or she worked during the time period from October 21, 2019, through May 31, 2022, divided by (ii) the total number of workweeks worked by all Participating Class Members who are members of the PAGA Subclass during the time period from October 21, 2019 through May 31, 2022.
- c. Tax Treatment of Settlement Payments: twenty percent (20%) of each Settlement Payment will be designated as wages, for which you will receive a W-2 form. The remaining eighty percent (80%) of each Settlement Payment will be allocated to penalties and interest for which you will receive a 1099 form.

D. Your Settlement Calculation.

Your Settlement Payment is estimated to be \$<<Est.SettlementAmt>>, based on the following dates of employment as reflected in Defendants' records: <<Start Date>> - <<End Date>>

If you wish to object to the proposed settlement, you must send your objection to the attention of the Settlement Administrator Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863, in writing by **October 19, 2022**. In your written objection, please provide what you believe to be the correct information along with supporting documentation, if available, to show the changes you are seeking. All written objections and supporting papers must: (1) state the objecting Class Member's name and address; (2) state the case name and number as follows *Khan v. Atlas Air, Inc.*, Case No. 20STCV40478; (3) state each objection to the Settlement; (4) include a written explanation detailing the specific basis or reason, if any, for each objection, including any legal and factual support the objector wishes to bring to the Court's attention and any evidence the objector wishes to introduce in support of the objection(s); and (5) be signed and dated.

Your check will be void if you do not cash or deposit your check within 180 days following the issuance of the check. Whether or not you cash or deposit your check, you will be bound by the Settlement and will be deemed to have waived irrevocably any right or claim to your Settlement share and/or to appeal the approval of the Settlement. After the expiration of 180 days, the sum of any uncashed/undeposited checks shall be delivered to the State of California, Department of Labor Standards and Enforcement's unpaid or unclaimed wage fund.

E. Release of Claims Against Defendant.

Upon the Final Approval of the Settlement by the Court, Plaintiff and all members of the Settlement Class who do not submit timely requests for exclusion (described below) will be deemed to have fully released and discharged Defendant from all claims that were asserted in the Complaint or First Amended Complaint, or that could have been plead based upon the facts, conduct, and/or omissions alleged in the Litigation, from October 21, 2016 to May 31, 2022.

The released claims thus include claims for unpaid minimum wages, unpaid overtime wages, unpaid off-the-clock work, failure to provide meal periods, failure to authorize and permit rest periods, inaccurate wage statements, failure to maintain employment records, waiting time penalties, failure to reimburse business expenses, improper deductions, statutory interest on any of the foregoing, and unfair competition. Only those Class Members who were employed during the PAGA Period will release their claims for PAGA penalties.

These claims are referred to in this Notice as the “**Released Claims.**” For more information regarding the scope of the release, please read the Settlement Agreement available at <http://www.phoenixclassaction.com/class-action-lawsuits/judgments/>.

III. LEGAL RIGHTS AND OPTIONS OF CLASS MEMBERS

A. Option 1: Do Nothing and Receive a Settlement Payment.

You do not need to do anything in order to receive a Settlement Payment. If you do nothing, you will automatically be included in the Settlement and will receive a Settlement Payment so long as the Settlement is approved and becomes Final. As set forth above, your Settlement Payment will be based upon whether or not you worked during the Class Period and, if so, the amount of workweeks you worked during the Class Period.

Please keep your address current! To assist the Court and the parties in maintaining accurate lists of Class Members, please mail notice of any change in your address to the Settlement Administrator (address below), or call (800) 523-5773. *Please say that you are a part of the Atlas Air, Inc. Settlement Class.*

B. Option 2: Exclude Yourself from the Settlement.

IMPORTANT: You will be bound by the terms of the Settlement unless you submit a timely and signed written request to be excluded from the Settlement. To exclude yourself from the Settlement, you must mail your request for exclusion, postmarked no later than **October 19, 2022**, to:

Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863
Telephone: (800) 523-5773
Facsimile: (949) 209-2503
Email: notice@phoenixclassaction.com

Your request for exclusion must contain your full name and a statement that you wish to be excluded. Your request for exclusion must be returned by mail to the Settlement Administrator at the address above and must be postmarked on or before **October 19, 2022**.

C. Option 3: Object to the Settlement.

Any Settlement Class member who has not submitted a request for exclusion may object to the terms of the Settlement. You may object to the proposed settlement in writing. All written objections, supporting papers, and/or notices of intent to appear at the Final Approval Hearing should: (1) clearly identify the case name and number (*Khan v. Atlas Air, Inc.* Case No. 20STCV40478); and (2) be mailed to the Settlement Administrator postmarked on or before **October 19, 2022**. If the Settlement Class member timely submits a written objection, he or she, may appear personally or through an attorney, at his or her own expense, at the Final Approval hearing to present his or her objection directly to the Court, provided the Settlement Class member notifies the Court, Class Counsel, and Defense Counsel as identified below. Any attorney who will represent an individual objecting to this Resolution must file a notice of appearance with the Court, and serve Class Counsel and Defense Counsel no later than sixty (60) days after the Notice of Proposed Class Action Resolution was initially mailed to the Settlement Class members.

COUNSEL FOR THE PARTIES

CLASS COUNSEL

Justin Lo (SBN 280102)
WORK LAWYERS, PC
22939 Hawthorne Blvd., #202
Torrance, CA 90505

COUNSEL FOR DEFENDANT

REBECCA ARAGON
LITTLER MENDELSON, P.C.
633 West Fifth Street
63rd Floor
Los Angeles, CA 90071

DAVID S. MAOZ, Bar No. 233857
LITTLER MENDELSON, P.C.
2049 Century Park East
5th Floor
Los Angeles, CA 90067.3107

IV. FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a hearing on December 2, 2022, at 8:30 a.m., in Department 57, 111 North Hill Street, Los Angeles, CA 90012, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The hearing may be continued or rescheduled without further notice to Class Members. You can check whether the Final Approval Hearing has been continued or rescheduled by visiting the Court's website (see instructions below).

You may attend the Final Approval Hearing but are not required to do so. Written objections will be considered at the Final Approval Hearing whether or not the person objecting appears at the hearing. If you object and wish to appear at the Final Approval Hearing, you may appear personally or through counsel hired at your own expense, as long as you provide the Court with timely notice of your intent to appear.

At no expense to you, Class Counsel will represent your interests as a Class Member. Or, you may hire your own lawyer at your own expense.

V. ADDITIONAL INFORMATION

This Notice is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you may read the detailed Settlement Agreement, which is available at <http://www.phoenixclassaction.com/class-action-lawsuits/judgments/>. You may also access Plaintiffs' Motion for Preliminary Approval, Plaintiffs' Motions for Final Approval and Attorneys' Fees (when available), and other important documents related to this case, at the above website. If you have any questions regarding this Notice, the Settlement, or the Litigation, you may contact Class Counsel.

The pleadings and other records in this Litigation, including the Settlement Agreement, also may be examined online on the Los Angeles County Superior Court's website at <http://www.lacourt.org/casesummary/ui/index.aspx?casetype=civil>. After arriving at the website, click the "CASE NUMBER:" box and type in the following case number: 20STCV40478. Images of every document filed in the case may be viewed through the Register of Actions at a nominal charge. You may also view images of every document filed in the case free of charge by using one of the computer terminal kiosks available at each Court location that has a facility for civil filings.