

Payne, et al. v. Reach Air Medical Services, LLC, et al.
c/o Apex Class Action LLC
PO Box 54668
Irvine, CA 92619

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Apex ID: «Apex_ID» «Tray_PC» <<

«Full_Name»

«Address_1»

«City», «State» «Zip»

*A Court authorized this Notice. It is not a solicitation from a lawyer.
You may be eligible to receive a settlement payment. Please read this Notice carefully.*

Notice of Proposed Class Action Settlement

Payne, et al. v. Reach Air Medical Services, LLC, et al.

Case Number 24CV008383, 24CV010355

Superior Court of the State of California for the County of Sacramento

A proposed Class Action Settlement Agreement (the “Settlement”) has been reached between: **(1)** Plaintiffs Michael Payne and Brooke Sommerdorf (collectively “Plaintiffs”), individually and in their representative capacity on behalf of a group of prospective class members defined below, and as private attorneys general on behalf of the State of California; and **(2)** Defendants Reach Air Medical Services, LLC, Reach Medical Holdings, LLC, and Calstar Air Medical Services LLC (collectively, “Defendants”). The Settlement resolves disputed claims against Defendants arising out of their compensation practices during the period from May 24, 2020, through August 8, 2025 (the “Class Period”) as applied to the following two groups of “Class Members”:

1. **Flight Crew Settlement Sub-Class:** All persons employed by Defendants in California as non-exempt Pilots, Paramedics, and Nurses during the period from May 5, 2023, through August 8, 2025.
2. **Non-Flight Crew Settlement Sub-Class:** All persons employed by Defendants in California as non-exempt employees during the period from May 24, 2020, through August 8, 2025.

The Court has granted preliminary approval of the Settlement and ordered this notice to be sent to you because Defendants’ records indicate that you are in the Class and because the Settlement affects your legal rights.

NO ACTION NEEDS TO BE TAKEN TO RECEIVE MONEY UNDER THE SETTLEMENT: If you are a Class Member (as defined above) and received this notice, you are automatically included in the Settlement and do not need to take any further action to receive a payment. If you accept your settlement amount, you will release the claims described below.

Description of the Lawsuit

Plaintiffs, individually and in their representative capacity on behalf of the Class Members, and as private attorneys general on behalf of the State of California, are pursuing a lawsuit against Defendants in the Superior Court of the State of California for the County of Sacramento in the matter of *Michael Payne, et al. v. Reach Air Medical Services, LLC, et al.*, case number **24CV008383, 24CV010355** (the “Action”). The Action sought recovery for Defendants’ alleged: **(1)** failure to pay minimum wage for all hours worked; **(2)** failure to pay proper overtime wages; **(3)** failure to provide compliant rest periods and/or pay missed rest break premiums; **(4)** failure to provide compliant meal periods and/or pay missed meal period premiums; **(5)** failure to maintain accurate employment records; **(6)** failure to pay timely wages during employment; **(7)** failure to pay all wages due and owing at separation; **(8)** failure to reimburse business expenses; **(9)** failure to provide sick leave; **(10)** failure to provide complete and accurate wage statements; **(11)** deceptive, fraudulent, or otherwise unlawful business practices based on the foregoing in violation of California’s Unfair Competition Law; and **(12)** statutory penalties based on the foregoing pursuant to the Private Attorneys General Act (“PAGA”).

Defendants deny all liability, deny all allegations in the Action, and have raised various defenses to the claims. Defendants assert that they fully complied with all applicable wage and hour laws and contend that civil penalties under PAGA are not warranted. Defendants also deny that the Action is suitable for class certification. Defendants have entered into the Settlement solely for purposes of resolving this dispute to avoid costly, disruptive, and time-consuming litigation and do not admit to any wrongdoing or liability.

The Court has not ruled on the merits in the Action. By approving the Settlement and issuing this Notice, the Court is *not* suggesting which side would win or lose the case if it went to trial or whether the claims are suitable for class certification. Plaintiffs and Defendants (the “Parties”) have agreed to settle the Action on the terms summarized in this notice. The Settlement was reached after Defendants provided information and documents to Plaintiffs’ counsel and after arm’s-length negotiations between the Parties, including a full-day mediation.

If you are still employed by Defendants, this Settlement will not affect your employment.

California law and Defendants' policies strictly prohibit retaliation. Defendants will not retaliate or discriminate against any Class Member because of the Class Member's participation, or decision not to participate, in the Settlement.

Terms of the Settlement

The Settlement provides for a "Gross Settlement Amount" of \$2,220,000.00, a share of which is to be distributed to the Class Members based on the pro rata number of weeks worked by the Class Members during the Class Period as a proportion of all weeks worked by all Class Members. In exchange for their share of the settlement amount, all participating Class Members will be deemed to have released Defendants from liability on the terms described in this notice. On August 7, 2026, the Court preliminarily approved the Settlement and conditionally certified the Settlement Class.

The Parties agreed to the following payments from the Gross Settlement Amount:

1. **Settlement Administration Costs.** The Court has approved Apex Class Action, LLC to act as the "Settlement Administrator," who is sending this Notice to you and will perform many other duties relating to the Settlement. Under the Settlement, up to \$25,000.00 will be paid from the Gross Settlement Amount to pay the Settlement Administration Costs.
2. **Attorneys' Fees and Expenses.** Class Counsel have been prosecuting the Action on behalf of the Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. To date, the Parties have aggressively litigated many aspects of the case, including investigation, settlement efforts, and a full-day mediation session. The Court will determine the actual amount awarded to Class Counsel as attorneys' fees, which will be paid from the Gross Settlement Amount. Class Members are not personally responsible for any of Class Counsel's attorneys' fees or expenses. Class Counsel will ask for fees of one-third of the Gross Settlement Amount (i.e., \$740,000.00) as reasonable compensation for the work Class Counsel performed and will continue to perform in the Action. Class Counsel also will ask for reimbursement of up to \$40,000.00 for the costs Class Counsel incurred in connection with the Action.
3. **Service Payment to Class Representatives.** Class Counsel will ask the Court to award a Service Payment to each of the named Plaintiffs in the amount of \$10,000.00 to compensate them for their efforts on behalf of the Class Members in the Action, including assisting in the investigation and consulting with Class Counsel and providing crucial documents to Class Counsel.
4. **PAGA Payment.** The Parties have agreed on a reasonable sum to be paid in settlement of the PAGA claims included in the Action, which is \$150,000.00. The PAGA Payment is to be approved by the Court pursuant to Labor Code section 2699 and is to be distributed as follows: seventy-five percent (75%) (i.e., \$112,500.00) to the State of California and twenty-five percent (25%) (i.e., \$37,500.00) to the individuals who come within the definition of an "aggrieved employee" for the purposes of the Settlement (i.e., all persons employed by Defendants in California as non-exempt employees during the PAGA Period). The "PAGA Period" is defined for these purposes to mean the period from April 27, 2023, through August 8, 2025.

After deducting the amounts above, the balance of the settlement amount will form the "Net Settlement Amount" for distribution to the Class Members.

Distribution of the Settlement to the Class Members

Each eligible Class Member who does not request exclusion from the Settlement will be deemed a "Class Participant" and will receive a share from the Net Settlement Amount which will be distributed pro rata based on the proportional number of weeks worked by each Class Member during the Class Period (the "Individual Settlement Amount"). If any Class Member requests exclusion from the Settlement, his or her share will be distributed to the remaining Class Participants.

Twenty percent (20%) of each Individual Settlement Amount will constitute payment in the form of wages (and each Class Participant will be issued an IRS Form W-2 for such payment to him or her), and eighty percent (80%) of each Individual Settlement Amount will constitute penalties and interest (and each Class Participant will be issued an IRS Form 1099 for such payment to him or her).

Defendants shall have no responsibility for deciding the validity of the Individual Settlement Amounts or any other payments made pursuant to the Settlement, shall have no involvement in or responsibility for the determination or payment of Employee's Taxes and Required Withholding, and shall have no liability for any errors made with respect to such Employee's Taxes and Required Withholding. The Settlement Administrator will calculate and pay the standard Employee's Taxes and Required Withholding on the portion of the Individual Settlement Amounts constituting wages on behalf of Class Participants, and Class Participants shall be solely responsible for any and all tax obligations associated with their respective Individual Settlement Amounts. There will be no deduction taken from the interest or penalty distribution—it will, however, be reported on IRS Form 1099 as income. Class Participants are responsible for the proper income tax treatment of their Individual Settlement Amount. The Settlement Administrator, Defendants and their counsel, and Class Counsel cannot provide tax advice. Accordingly, Class Members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

The workweeks you worked for Defendants during the Class Period will be calculated based on Defendants' records. If you feel that you were not credited with the correct number of workweeks worked during the Class Period, you may submit evidence to the Settlement Administrator on or before October 19, 2026, with documentation to establish the number of workweeks you claim to have actually worked during the Class Period. **Documentation sent to the Settlement Administrator will not be returned or preserved, so do not send originals.** The Parties and the Settlement Administrator will promptly evaluate the evidence submitted and discuss in good faith how many workweeks should be credited. In the event that a disagreement over the number of workweeks worked remains, Defendants' payroll records will determine the outcome.

Settlement checks will be mailed to all Class Participants after the Court grants final approval of the Settlement and judgment is entered.

The Release of Claims

If the Court approves the Settlement, the Court will enter judgment and the Settlement will bind all Class Participants. The Class Participants

will then be barred from bringing any “Released Claims” against the “Released Parties” as those terms are defined below.

The “Released Parties” are Defendants Reach Air Medical Services, LLC, Reach Medical Holdings, LLC, and Calstar Air Medical Services LLC and their parents, subsidiaries, affiliated entities, assigns, and successors, and each of their respective officers, employees, directors, shareholders, owners, agents, managers, and joint venturers, or any individual or entity which could be jointly liable with Defendants, and all persons or entities acting by, through, under, or in concert with any of them.

The “Released Claims” are those claims arising out of or related to the allegations set forth in the operative complaints and/or PAGA notices to California’s Labor and Workforce Development Agency (“LWDA”), which arose during the Class Period, including claims, rights, demands, liabilities, and causes of action of any kind arising from the alleged violation of any California and/or federal law that occurred during the Class Period that were pled in the Notices submitted by either Plaintiff to the LWDA, or in the operative complaints filed in either Action, or that could have been brought based on the factual allegations stated therein, including but not limited to claims brought under California Labor Code §§ 200, 201–203, 204, 205.5, 210, 216, 218, 218.5, 218.6, 221, 223, 224, 226, 226.3, 226.7, 233, 234, 246, 246.5, 400–410, 450, 510, 512, 551, 552, 558, 558.1, 1174, 1174.5, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2800, 2802, 2804, California Code of Regulations Title 8, the applicable sections of the relevant Industrial Welfare Commission Wage Orders; California Business and Professions Code section 17200 et seq.; and any damages, penalties, restitution, disgorgement, interest, costs, or attorneys’ fees as a result thereof. No other claims are released other than as specified herein.

The Settlement does *not* release Defendants or any person, party, or entity from claims, if any, by Class Members for workers' compensation, unemployment, or disability benefits of any nature. Nor does it release any claims, actions, or causes of action which may be possessed by Class Members under state or federal discrimination statutes, including, without limitation, the California Fair Employment and Housing Act (Gov. Code, §§ 12900–12996); the Unruh Civil Rights Act (Civ. Code, § 51); the California Constitution; Title VII of the Civil Rights Act of 1964 (42 U.S.C. § 2000, et seq.); the Americans with Disabilities Act (42 U.S.C. § 12101, et seq.); the Employee Retirement Income Security Act of 1974 (29 U.S.C. § 1001 et seq.); and all of their implementing regulations and interpretive guidelines.

Class Members who do not request exclusion from the Settlement shall be deemed to each release the Released Parties, and each of them, of and from any and all Released Claims arising during the Class Period. It is the desire of the Parties and the Releasing Parties to fully, finally, and forever settle, compromise, and discharge the Released Claims. Each of the Releasing Parties, including each Class Participant, will be bound by the release of Released Claims as a result of the Class Settlement and to the terms of the final judgment and the satisfaction of such judgment. Class Participants will be deemed to have acknowledged and agreed that their claims for wages and/or penalties in the Action are disputed, and that their Individual Settlement Amount constitutes payment of all sums allegedly due to them. Class Members will be deemed to have acknowledged and agreed that California Labor Code section 206.5 is not applicable to the Individual Settlement Amount. That section provides in pertinent part as follows:

“An employer shall not require the execution of a release of a claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made.”

Separately, each member of the PAGA Settlement Class (that is, all persons employed by Defendants in California as non-exempt employees during the PAGA Period), on behalf of themselves, their heirs, spouses, executors, administrators, attorneys, agents, assigns, and any entities or businesses in which any of them have a controlling ownership interest, shall waive, fully release and forever discharge the Released Parties from any claims for civil penalties under the California Private Attorneys General Act, California Labor Code section 2698 et seq., to the extent those penalties related to the Released Claims and arose during or before the end of the PAGA Period.

Your Options

1. Do Nothing and Receive Your Portion of the Settlement

If you do nothing, you will be automatically included as a Class Participant in the Settlement and will receive a settlement payment. You do *not* have to take any further action to receive your settlement payment. It is, however, the responsibility of all Class Members to ensure that the Settlement Administrator has your current address on file, or you may not receive important information or a settlement payment. The estimated amount of your settlement payment if you do nothing is included on the attached *Class Action Settlement Share Form*. If you do not cash your check within one-hundred-eighty (180) days, it will become void and the funds will be sent to the California State Controller for deposit into the Unclaimed Property Fund.

2. Request Exclusion from the Class and the Settlement

If you do *not* wish to take part in the class action portion of the Settlement (the “Class Settlement”), you may exclude yourself (i.e., opt out of the Class Settlement) by sending the Settlement Administrator a letter or card postmarked no later than October 19, 2026, that specifically requests exclusion from the Class Settlement in this case. The request for exclusion must include your name, address, telephone number, and signature.

Send the request for exclusion directly to the Settlement Administrator at the following address **by no later than October 19, 2026**:

Payne, et al. v. Reach Air Medical Services, LLC, et al.
c/o Apex Class Action
PO Box 54668
Irvine, CA 92619

Any person who submits a timely request for exclusion from the Class Settlement shall, upon receipt, no longer be a Class Member, shall be barred from participating in the Class Settlement, and shall receive no benefits from the class action portion of the Settlement. If you want confirmation of receipt of your request for exclusion, please send it by United States certified mail, return receipt requested, or contact the Settlement Administrator.

Importantly, Class Members who timely and validly request exclusion from the Class Settlement will *not* be excluded from their share of the PAGA Payment. Requesting exclusion from the Class Settlement applies solely to the Class Members' entitlement to the class action portion of the Settlement and not their entitlement to the PAGA Payment. If you request exclusion from the Class Settlement, you will still be entitled to your share, if any, of the PAGA Payment.

3. Object to the Settlement

If you do not want the Court to approve the Settlement, you have the right to object to it, provided that you do not *also* request exclusion. If, however, the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you may file with the Settlement Administrator and the Court a written objection stating your name, address, telephone number, the case name and number, each specific reason in support of your objection, and any legal support for each objection. Objections in writing must be mailed to the Settlement Administrator—PO Box 54668, Irvine, CA 92619—by no later than **October 19, 2026**, to be considered. **Objections that do not include all required information, or that are not timely submitted, might not be considered by the Court.**

If you choose to object to the Settlement, you may also appear to speak at the final approval and fairness hearing, as described in the "Final Approval Hearing" section below. You may also review the Court's website for the most current information.

If you object to the Settlement, you will remain a Class Member, and if the Court approves the Settlement, you will receive payment and be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Class Member who does not object in the manner provided above shall have waived any objection to the Settlement.

Final Approval Hearing

The Final Approval Hearing is scheduled for January 8, 2027, at 9:00 a.m. in Department 8B of the Superior Court of the State of California for the County of Sacramento, located at the Tani G. Cantil-Sakauye Courthouse, 500 G Street, Sacramento, CA 95814. You have the right to appear either in person or through your own attorney at this hearing. If you desire to appear remotely, you can join via the Department's Zoom link or by telephone, using the following information: To join by Zoom link: <https://saccourt-ca-gov.zoomgov.com/j/16184738886>; To join by telephone: (833) 568-8864 / ID: 16184738886.

How to Update or Change Your Address

If you move after receiving this notice or if it was misaddressed, please contact the Settlement Administrator, Apex Class Action, LLC, at 1-800-355-0700 or by email at support@apexclassaction.com, as soon as possible. **This is important to ensure that future notices and/or the Settlement payment reach you.**

Notice of Final Judgment If the Settlement Is Approved

Within fourteen (14) days after the Court has held a Final Approval and Fairness Hearing and entered a Final Order approving the Settlement, if it chooses to do so, the Settlement Administrator will post a copy of that Order and Final Judgment on its website at the following website address:

www.apexclassaction.com/reachair



If the Settlement Is Not Approved

If the Settlement is not approved by the Court, or if any of its conditions are not satisfied, the Settlement may be voided, in which case no money will be paid, and the case will return to litigation. If that happens, there is no assurance: **(1)** that the Class will be certified by the Court; **(2)** that any decision at trial would be in favor of Class Members; **(3)** that a trial decision, if any, would be as favorable to the Class Members as the Settlement; or **(4)** that any favorable trial decision would be upheld if an appeal was filed.

Questions or Comments

PLEASE DO NOT CALL OR CONTACT THE COURT. If you have any questions about the Settlement, you may contact the Settlement Administrator at: 1-800-355-0700 or by email at support@apexclassaction.com. You may also contact Class Counsel at the addresses or phone numbers listed below.

Lawyers Representing Plaintiffs and the Class Members

MELMED LAW GROUP P.C.

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CLASS ACTION SETTLEMENT SHARE FORM

Payne, et al. v. Reach Air Medical Services, LLC, et al.

Case Number 24CV008383, 24CV010355

Superior Court of the State of California for the County of Sacramento

The proposed class action Settlement Agreement (the “Settlement”) described in the accompanying *Notice of Proposed Class Action Settlement* resolves disputed claims against Defendants Reach Air Medical Services, LLC, Reach Medical Holdings, LLC, and Calstar Air Medical Services LLC (collectively, “Defendants”) arising out of their compensation practices during the period from May 24, 2020, through August 8, 2025, as applied to the following two groups of “Class Members”:

1. **Flight Crew Settlement Sub-Class:** All persons employed by Defendants in California as non-exempt Pilots, Paramedics, and Nurses during the period from May 5, 2023, through August 8, 2025.

2. **Non-Flight Crew Settlement Sub-Class:** All persons employed by Defendants in California as non-exempt employees during the period from May 24, 2020, through August 8, 2025.

You are receiving this form because you are believed to be a Class Member and/or a member of the PAGA Settlement Class (all persons employed by Defendants in California as non-exempt employees during the PAGA Period from April 27, 2023, through August 8, 2025). **According to Defendants’ records, you worked «Class Workweeks» workweeks for Defendants during the Class Period. Accordingly, your share of the Settlement is currently estimated to be \$«Est Class PMT»**, which is an estimate of your allocated portion of the Net Settlement Amount, as that term is defined in the accompanying *Notice of Proposed Class Action Settlement*. Your share of the Settlement may differ depending on factors such as, but not limited to, the number of Class Members who effectively exclude themselves from the Settlement.

According to Defendants’ records, you worked «PAGA Pay Periods» pay periods for Defendants during the PAGA Period. Accordingly, your individual payment from the PAGA portion of the Settlement is currently estimated to be \$«Est PAGA PMT», which is your estimated share of the \$37,500.00 portion of the PAGA Payment allocated to the PAGA Settlement Class, as described in the accompanying *Notice of Proposed Class Action Settlement*. That amount is distributed pro rata based on the number of pay periods you worked during the PAGA Period as a proportion of all pay periods worked by all members of the PAGA Settlement Class. You will receive your PAGA payment even if you request exclusion from the class action portion of the Settlement.

You do not need to do anything to receive money under the Settlement.

If you believe the information provided above as to the number of your workweeks or pay periods is incorrect and wish to dispute it, please contact the Settlement Administrator via mail or fax no later than **October 19, 2026**, at:

Payne, et al. v. Reach Air Medical Services, LLC, et al.

c/o Apex Class Action

PO Box 54668

Irvine, CA 92619

Telephone: 1-800-355-0700

Email: support@apexclassaction.com

Fax: (949) 989-4428

The information Defendants provided to the Settlement Administrator from their pay records will control unless you are able to provide documentation that establishes otherwise. Any disputes, along with supporting documentation, must be postmarked no later than **October 19, 2026**.

Do not send originals; documentation sent to the Settlement Administrator will not be returned or preserved.