

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND FINAL FAIRNESS AND APPROVAL HEARING

IGNACIO MACIEL, RUTH TORRES, ET AL., V. M.A.C. COSMETICS, INC.

**UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA
CASE NO. 3:23-CV-03718-AMO ("ACTION")**

A court authorized this notice. This is not a solicitation from a lawyer.

You have received this Notice because (a) M.A.C. Cosmetics Inc.'s (hereafter, "M.A.C.") records show you were employed by M.A.C. in California as a non-exempt employee at some time between April 27, 2018, through July 24, 2025, and (b) you are eligible to receive compensation from a class action settlement.

This notice summarizes the proposed settlement. For the precise terms of the settlement, please see the settlement agreement available at <https://ilymgroup.com/MACCosmeticInc>, by contacting class counsel via email to Matt@Righettilaw.com or via phone at (415) 983-0900 or via email to rnathan@nathanlawpractice.com or via phone to (949) 270-2798, by accessing the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>, or by visiting the office of the Clerk of the Court for the United States District Court for the Northern District of California, San Francisco Courthouse, Courtroom 10 — 19th Floor 450 Golden Gate Avenue, San Francisco, CA 94102, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.

YOUR LEGAL RIGHTS & OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND GET AUTOMATIC PAYMENT	If you received this Notice of Class Action Settlement ("Notice"), you will <u>automatically</u> receive your share of the Settlement. You do <u>not</u> need to submit a claim form to receive this payment.
EXCLUDE YOURSELF	If you do not want to participate in the Settlement then you can exclude yourself from the Settlement (<i>i.e.</i>, opt out) by providing a written Request for Exclusion, as explained further below. The deadline to submit a Request for Exclusion is October 17, 2025. Once excluded, you will be a Non-Participating Class Member. As a Non-Participating Class Member you will no longer be eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. You cannot opt-out of the Private Attorneys General Act (PAGA) portion of the proposed Settlement.
OBJECT	Class Members who do not opt out of the proposed Settlement ("Participating Class Members") may object to the Settlement. The deadline to file objections with the Court is October 17, 2025.

Because your rights may be affected by this Settlement, it is important that you read this Notice carefully. If you still have questions, or if you wish to update your mailing information, please contact the Settlement Administrator, ILYM, at (888) 250-6810.

1. Why did I get this Notice?

A proposed settlement (the "Settlement") has been reached in the Action. The Settlement resolves a class and representative action lawsuit in which Plaintiffs Ignacio Maciel and Ruth Torres ("Plaintiffs" or "Class Representatives") claim M.A.C. violated California's wage and hour laws.

You received this notice because M.A.C.'s records show that you were a Class Member. Class Members are defined as non-exempt employees who worked in California for M.A.C. during the "Class Period" (between April 27, 2018 through July 24, 2025). This notice tells you how you can (a) be part of the Settlement, (b) exclude yourself from the Settlement, (c) object to the Settlement.

2. What is the Action and Settlement about?

Plaintiffs assert claims on behalf of themselves and other Class Members. Plaintiffs alleged M.A.C. failed to pay minimum wages and overtime, failed to provide meal or rest periods, and failed to reimburse business expenses, among other claims. M.A.C. denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

The parties disagree as to the probable outcome of the Action with respect to liability and damages if the Action were not settled. That notwithstanding, each side has decided to amicably resolve this matter rather than continue to trial.

The parties reached a settlement, subject to Court approval, to resolve all claims asserted in the Action. Plaintiffs believe the Settlement is fair, adequate, and reasonable, and is in the best interest of Class Members. By agreeing to settle, M.A.C. does not admit liability on any of the factual allegations or claims in the Action or that the Action can or should proceed as a class or representative action. The Court has not ruled on the merits of Plaintiffs' claims or M.A.C.'s defenses (which means the court has not decided who is right or wrong).

On July 24, 2025, the Court issued an order preliminarily approving the proposed Settlement, approving this Notice, and setting deadlines and a final approval hearing date. The Court will decide whether to give final approval to the proposed Settlement at a hearing scheduled for January 15, 2026 ("Final Approval Hearing"). See below for details.

3. What does the Settlement provide?

Subject to the Court's final approval, the terms of the Settlement are as follows:

- A. M.A.C. will pay the gross settlement amount of \$12,000,000 (the "Gross Settlement Amount"), which is inclusive of: Class Counsel's attorneys' fees of not more than 35% of the Gross Settlement Amount (\$4,200,000) and costs incurred in representing Plaintiffs and Class Members in the Action (not to exceed \$150,000); class representative service and release payments to Plaintiffs for their services as Class Representatives of not more than \$40,000 total (\$20,000 to Ignacio Maciel and \$20,000 to Ruth Torres) (the "Class Representative Enhancement Payments"); a payment of \$300,000 in settlement of Plaintiffs' claims under the California Private Attorneys General Act of 2004, as amended, (the "PAGA Settlement Amount"), of which 75% (\$225,000) will be paid to the California Labor and Workforce Development Agency ("LWDA") and 25% (\$75,000) will be paid to Class Members who worked for M.A.C. between May 9, 2021 through July 24, 2025 ("Aggrieved Employees"), pursuant to PAGA; and a Settlement Administrator expenses payment (not to exceed \$29,000). Each of these sums will be paid from the Gross Settlement Amount. The remaining amount (the "Net Settlement Amount") will be paid to Class Members who did not submit a valid and timely Request for Exclusion ("Participating Class Members"). The Court will consider the attorneys' fees, costs, and service awards at the Final Approval Hearing up to the amounts listed in this Notice, but has not yet made any order on these requests.
- B. Each Participating Class Member will be allocated an "Individual Class Payment," that will be calculated based on the number of "Workweeks" the Participating Class Member worked for M.A.C. in California as a non-exempt employee during the Class Period, as follows: (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period, and (b) multiplying the result by the number of Workweeks that specific Participating Class Member worked during the Class Period. The parties are asking the Court to approve an allocation of 22% of each Individual Class Payment to taxable wages ("Wage Income Settlement Payment") and 78% to penalties and interest ("Non-Wage Income Settlement Payment"). The Wage Income Settlement Payment is subject to withholdings and will be reported by the Settlement Administrator on IRS W-2 Forms. (M.A.C. will separately pay employer payroll taxes it owes on the Wage Income Settlement Payment.) The Settlement Administrator will report the Non-Wage Income Settlement Payments of the Individual Class Payments on IRS 1099 Forms.
- C. In addition to the Individual Class Payment, each Participating Class Member who is also an Aggrieved Employee will be allocated an "Individual PAGA Payment," which will be calculated based on the number of "PAGA Pay Periods" the Aggrieved Employee worked for M.A.C. in California as a non-exempt employee during the PAGA Period, as follows: (a) dividing the Aggrieved Employees' thirty-five percent (35%) share of the PAGA Settlement Amount (\$105,000.00) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b) multiplying the result by the number of PAGA Pay Periods that specific Aggrieved Employee worked during the PAGA Period. The Administrator will report the full amount of each Individual PAGA Payment on IRS 1099 Forms.

According to M.A.C.'s records, you worked for M.A.C. as a non-exempt employee in California for a total of <<MERGED_ClassWW>> Workweeks during the Class Period, of which <<MERGED_PAGAPP>> qualify as PAGA Pay Periods during the PAGA Period. Based on the above methodology, your estimated Individual Class Payment is \$<<MERGED_ClassAward>> and your estimated Individual PAGA Payment is \$<<MERGED_PAGAAward>>.

Although the parties have agreed to the above allocations, neither side is giving you any advice on whether your Individual Class Payment or Individual PAGA Payment are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any payments received from the Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement. None of the above payments will be eligible for benefit contributions or employee matching.

4. What am I giving up in exchange for the Settlement benefits?

If you do not timely exclude yourself from the Settlement as explained below, then upon the date on which the Settlement becomes effective, you will release M.A.C. and all related parties ("Released Parties") from all claims under state, federal, or local law, whether statutory, common law, or administrative, arising out of or related to the class action allegations set forth in the Action ("Released Claims"), as follows:

All claims, rights, demands, liabilities and causes of action, whether in law or equity, in any way arising from or related to the facts and/or claims alleged in the Complaint or that were pled or could have been pled (based on the alleged facts or facts ascertained) in the Action, in the Complaint or in the PAGA Notices submitted to the LWDA by Plaintiffs and/or Class Members or in the PAGA Notices submitted to the LWDA by Plaintiffs and/or Class Members, including but not limited to claims for wages, restitution, statutory and civil penalties, interest, fees, and costs, based on the following categories of claims and allegations: (1) Failure to Reimburse Business Expenses and Losses (Cal. Labor Code §§ 2800, *et seq.*); (2) Wage Statement Violations; (3) Minimum Wage and Overtime Violations; (4) Wages Upon Separation; (5) Failure to Provide Meal Periods; (6) Failure to Authorize and Permit Rest Breaks; (7) Unfair Business Practices (Cal. Bus. & Prof. Code §§ 17200, *et seq.*), including incorporated or related claims based on alleged violations of California Labor Code sections 201, 202, 203, 204, 210, 226, 226.7, 510, 512, 551, 552, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2800, and 2802 *et seq.* and California Industrial Welfare Commission ("IWC") Wage Order 7.

In addition to the Released Claims, on the date on which the payment of the Gross Settlement Amount is made by Defendant, all Aggrieved Employees shall be deemed to have released their respective PAGA claims against the Released Parties, as follows:

Based on the same categories of claims and allegations: (1) Failure to Reimburse Business Expenses and Losses (Cal. Labor Code §§ 2800, *et seq.*); (2) Wage Statement Violations; (3) Minimum Wage and Overtime Violations; (4) Wages Upon Separation; (5) Failure to Provide Meal Periods; (6) Failure to Authorize and Permit Rest Breaks, Civil penalties under the Private Attorneys General Act (California Labor Code sections 2698 *et seq.*, including incorporated or related claims based on alleged violations of California Labor Code sections 201, 202, 203, 204, 210, 226, 226.7, 510, 512, 551, 552, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2800, and 2802 *et seq.* and IWC Wage Order 7.

5. Who are the attorneys representing the parties?

Class Counsel

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Fax No.: 800.715.1330

6. How do I participate in the Settlement?

You are not required to take any action to receive your individual settlement payment(s). If you do nothing, your share of the Net Settlement Amount will be mailed to you by check after the Court grants final approval of the Settlement, and after time for appeals has ended or any appeals have been resolved, if applicable.

7. How do I opt-out of the Settlement?

If you do not wish to participate in the Settlement (*i.e.*, “Opt Out”), you must complete and sign a written Request for Exclusion and return it by first class mail, facsimile, or email to the Settlement Administrator:

ILYM Group, Inc.
P.O. Box 2031
Tustin, CA 92781
Telephone: (888) 250-6810
Fax: (888) 845-6185
Email: info@ilymgroup.com

Your Request for Exclusion must include the following: (1) a statement that reasonably communicates your election to be excluded from the Settlement (*e.g.*, “I wish to exclude myself from the settlement reached in the matter of Ignacio Maciel and Ruth Torres v. M.A.C.”); (2) your name, address, telephone number, and the last four digits of your Social Security number; and (3) your signature. Your Request for Exclusion must also (4) be faxed, emailed, or postmarked on or before October 17, 2025, and returned to the Settlement Administrator at the mailing address, email, or fax number specified above.

Your Request for Exclusion will not be valid if it does not comply with the above requirements. The date of the postmark on the return mailing envelope or the fax stamp, or in the event of an email, the date the email was sent, shall be the exclusive means used to determine whether the Request for Exclusion was timely submitted. Class Members who fail to submit a valid and timely written Request for Exclusion on or before October 17, 2025, shall be bound by all terms of the Settlement and any final judgment entered in the Action if the Settlement is approved by the Court.

Any person who submits a complete and timely Request for Exclusion will not be eligible to participate in the Settlement, will not receive proceeds from the Settlement, and will not be bound by the class releases of the Settlement. However, by excluding yourself from the Settlement, you may pursue your own claims against M.A.C. in the future, subject to any defenses M.A.C. may assert.

There is no statutory right for any Aggrieved Employee to Opt Out or otherwise be excluded from the PAGA portion of the Settlement and the associated release of claims and rights under PAGA.

8. What happens with any uncashed settlement checks?

All individual settlement checks not cashed within 120 days of issuance shall be canceled, and the money represented by such checks shall be transmitted to the California State Controller’s Unclaimed Property Division in the name of the Participating Class Member and/or Aggrieved Employee who failed to timely negotiate their checks.

9. What if I have questions about my Individual Class and/or PAGA Payment calculations?

If any Class Member wants additional information about the calculation of his or her Individual Class Payment or Individual PAGA Payment, details may be obtained from the Settlement Administrator. You have the right to challenge whether the Workweek calculations are proper under the terms of the Settlement by submitting information or documentation to the Settlement Administrator. To be valid, a challenge to the calculation of Workweeks and/or PAGA Pay Periods must be in writing and be postmarked, emailed, or fax stamped by October 17, 2025 and returned to the Settlement Administrator at the address, email, or fax number above, and contain: (1) your full name, signature, address, telephone number, and the last four digits of your Social Security number; (2) the number of Workweeks and/or PAGA Pay Periods you contend is correct; (3) the name of the Action; and (4) any evidence supporting your contention. The date of the postmark on the return mailing envelope, email, or fax stamp shall be the exclusive means used to determine whether the challenge was timely submitted. The Workweeks and/or PAGA Pay Periods identified for each Class Member receiving this Notice will be presumed to be correct unless a particular Class Member proves otherwise to the Settlement Administrator through credible evidence. The Settlement Administrator shall make the final, non-appealable determination as to all valid Workweek and PAGA Pay Period challenges.

10. How do I object to the Settlement?

If you do not file a Request for Exclusion, you can ask the Court to deny approval by filing an objection. You can't ask the Court to order a different Settlement; the Court can only approve or reject the Settlement. If the Court denies approval, no Settlement payments will be sent out, and the lawsuit will continue. If that is what you want to happen, you should object. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. To object to the Settlement, a Class Member must appear at the Final Approval Hearing and/or file a Notice of Objection. If you file a timely written objection, you may, but are not required to, appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney. All written objections and supporting papers must (a) clearly identify the case name and number IGNACIO MACIEL, RUTH TORRES, ET AL., V. M.A.C. COSMETICS, INC., UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA CASE NO. 3:23-CV-03718-AMO ("ACTION"), (b) be submitted to the Court either by filing them electronically or in person at any location of the United States District Court for the Northern District of California or by mailing them to the Class Action Clerk, United States District Court for the Northern District of California, San Francisco Courthouse, Courtroom 10 — 19th Floor 450 Golden Gate Avenue, San Francisco, CA 94102, and (c) be filed or postmarked on or before October 17, 2025. If you file or send the Court your objection, it must include: (a) your name, signature, address, telephone number, and last four digits of Social Security Number; (b) a written statement stating the objection to the Settlement Agreement; and (c) copies of any papers, briefs, or other documents supporting the objection. If you fail to object, you shall be deemed to have waived any objections and shall be foreclosed from making any objection to the Settlement.

Objecting is simply telling the Court you do not like something about the Settlement. You can object to the Settlement only if you are a Participating Class Member. Excluding yourself is telling the Court that you do not want to be a Participating Class Member. If you exclude yourself, you will have no basis to object because the Settlement will no longer affect you.

Any class member seeking to speak at the final hearing must submit to the Court, no later than December 19, 2025, a document entitled Notice of Intent to Appear that lists the case number and the class member's name, address, telephone number, and signature.

11. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing January 15, 2026, at 2:00 pm in Courtroom 10 of the United States District Court, located at 450 Golden Gate Avenue San Francisco, CA 94102, on January 15, 2026, at 2:00 pm. If there are objections, the Court will consider them at the Final Approval Hearing. The Court will also consider how much to pay Class Counsel and the amount of any Class Representative Enhancement Payments to Plaintiffs. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

You do not need to come to the hearing. Class Counsel will answer any questions the judge may have. But you are welcome to come to the hearing at your own expense. If you send an objection, you don't have to come to Court to talk about it. You can appear at the Final Approval Hearing, at your own expense, to discuss any objections you may have with the Court whether or not you file an objection in writing. You may also pay another lawyer to attend, but this is not required.

ADDITIONAL INFORMATION

This Notice is only a summary of the Action and the Settlement. For a more detailed statement of the matters involved in the Action and the Settlement, you may refer to the Settlement and other information located at <https://ilymgroup.com/MACCosmeticInc>. You may also review the pleadings, the Settlement, and other papers filed in the Action by searching the United States of California, Northern District of California portal found at the website <https://pacer.uscourts.gov/> and then entering the Case No. 3:23-CV-03718-AMO. All inquiries by Class Members regarding this Notice and/or the Settlement should be directed to the Settlement Administrator using the contact information set forth above.

THIS NOTICE IS NOT A RECOMMENDATION BY THE COURT AS TO ANY ACTION YOU SHOULD OR SHOULD NOT TAKE.