

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:	Chapter 11
JCK LEGACY COMPANY, <i>et al.</i> ,	Case No. 20-10418 (MEW)
Debtors. ¹	(Jointly Administered)
-----X	Related Docket No. 1410

**AFFIDAVIT OF SERVICE
OF NOTICE UNDER CLASS ACTION FAIRNESS ACT**

I, Julie N. Green, am employed in the county of Orange, State of California. I am employed by CPT Group, Inc. in the capacity of Senior Vice President of Operations and Notice Expert. I hereby certify that on ~~February~~ ^{March} 9, 2022, at my direction and under my supervision, employees of CPT Group, Inc. caused a true and correct copy of the *Notice of Settlement Pursuant to 28 U.S.C. § 1715*, attached as **Exhibit A**, to be served via first-class mail, postage pre-paid, to the service list of parties, attached as **Exhibit B**.

Dated: March 9, 2022


Julie N. Green
CPT Group, Inc.
50 Corporate Park
Irvine CA 92606
Telephone: (949) 428-1042
Facsimile: (949) 428-1043

{ State of California }
{ } ss.
{ County of Orange }

Subscribed and sworn to (or affirmed) before me on this 9th day of March, 2022, by Julie N. Green to me on the basis of satisfactory evidence to be the person(s) who appeared before me.



Notary Public



¹ The Debtors in these chapter 11 cases and the last four characters of each Debtor's tax identification number are: JCK Legacy Company (0478) and Herald Custom Publishing of Mexico, S. de R.L. de C.V. (5UZ1). The location of the GUC Recovery Trustee's service address for purposes of these chapter 11 cases is: 110 East 42 Street, Suite 1818 New York, NY 10017.



Exhibit A

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re:	: Chapter 11
	:
JCK LEGACY COMPANY, <i>et al.</i> ,	: Case No. 20-10418 (MEW)
	:
Debtors. ¹	: (Jointly Administered)
	:
-----X	

NOTICE OF SETTLEMENT PURSUANT TO 28 U.S.C. § 1715

William A. Brandt, Jr., in his capacity as trustee (the “**GUC Recovery Trustee**”) of the JCK GUC Recovery Trust (the “**GUC Recovery Trust**”) established under the JCK Legacy GUC Recovery Trust Agreement (the “**Trust Agreement**”) and the confirmed *First Amended Joint Chapter 11 Plan of Distribution of JCK Legacy Company and Its Affiliated Debtors and Debtors in Possession* [Docket No. 879], through his undersigned counsel, hereby gives notice under 28 U.S.C. § 1715 of the *Settlement and Mutual Release Agreement* (the “**Settlement**”) attached as Exhibit 1, settling *Veronica Becerra et al. v. The McClatchy Co., et al*, Superior Court Case No. 08CECG04411 (KAG) (the “**Class Action**”).

Pursuant to 28 U.S.C. § 1715(b), defendants² that are participating in a settlement of a “class action” must give notice of such settlement to certain state and federal officials. Pursuant to 28 U.S.C. § 1715(b)(1)-(8), the GUC Recovery Trustee states as follows:

1. 28 U.S.C. § 1715(b)(1): On December 19, 2008, the Class Representatives³ commenced the Class Action against The McClatchy Company, a Delaware Corporation, d/b/a

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² The Trust Agreement authorizes the GUC Recovery Trustee to represent the Debtors’ estate before any court of competent jurisdiction on matters concerning the GUC Recovery Trust. Trust Agreement at § 2.2(m).

³ Capitalized terms used and not otherwise defined herein shall have the meaning ascribed to them in the Joint Motion.

The Fresno Bee, and McClatchy Newspapers Inc., a Delaware Corporation, d/b/a The Fresno Bee (the “**Bee**”) in the California Superior Court for the County of Fresno (the “**Superior Court**”).

2. The Class Representatives filed a complaint, asserting the following causes of action: (1) failure to pay minimum and overtime wages (2) failure to provide meal periods or compensation in lieu thereof; (3) failure to provide rest periods or compensation in lieu thereof; (4) failure to reimburse reasonable expenses; (5) unlawful deductions from wages; (6) failure to pay for training; (7) failure to provide itemized wage statements (8) failure to maintain accurate payroll records; and (9) unfair business practices.

3. The class action parties agreed to proceed with trial solely on the ninth cause of action. The relief sought in the Class Action was largely premised upon the Bee’s failure to classify the Class as employees and to reimburse the Class for reasonable mileage expenses. After months trial and the presentation of evidence, the Superior Court issued a statement of decision, finding that the Class Members were properly classified as independent contractors. The Superior Court entered a judgment in favor of the Bee, and the Class Representatives timely appealed the judgment to the Court of Appeal of the State of California (the “**Appeal**”), the Fifth Appellate District (Case No. F074680) (the “**Appellate Court**”).

4. On September 30, 2021, the Appellate Court issued a decision, reversing the Superior Court’s findings that the Class Members were properly classified as independent contractors. Among other things, the Appellate Court ruled that the Superior Court misapplied the burden of proof and failed to apply a 1989 California Supreme Court precedent to determine the Class Members’ status as either employees or independent contractors. Notwithstanding the decision, the Appellate Court declined to enter a ruling in favor of the Class Representatives’ that the Class Members were employees as a matter of law given that much of the Class’s evidence

was disputed. Accordingly, the Appellate Court remanded the case back to the Superior Court for further proceedings.

5. A copy of the complaint and any materials filed with the complaint and any amended complaints are provided in electronic form on the enclosed CD as Exhibit 2.

6. 28 U.S.C. § 1715(b)(2): On February 13, 2020, The McClatchy Company and fifty-four of its direct and indirect subsidiaries (the “**Debtors**”) each filed for bankruptcy under Chapter 11 of the Bankruptcy Code. A hearing to preliminarily approve the Settlement is scheduled on **March 17, 2022 at 11:00 a.m.** A final hearing to consider final approval of the Settlement will be in not less than 90 days from service of the CAFA notice.

7. 28 U.S.C. § 1715(b)(3): Upon preliminary approval of the Settlement and notice procedures by the Bankruptcy Court, notice will be provided to the Class describing the fairness and terms of the Settlement (the “**Class Notice**”). The Class Notice will advise class members of the Settlement and their right to “opt-out” of the Settlement. A copy of the Class Notice is provided in electronic form on the enclosed CD as Exhibit 3.

8. 28 U.S.C. § 1715(b)(4): The Settlement is provided in electronic form attached on the enclosed CD as Exhibit 1.

9. 28 U.S.C. § 1715(b)(5): There is no settlement or agreement contemporaneously made between the GUC Recovery Trustee and the Class Representatives other than the Settlement.

10. 28 U.S.C. § 1715(b)(6): No final judgment has been entered nor has any notice of dismissal been filed.

11. 28 U.S.C. § 1715(b)(7)(B): The Class includes approximately 3,810 members. Most class members resided in California at the time of the alleged conduct giving rise to the Class Action, and more than 90% of the class member’s last known addresses are in California. Exhibit

4, which is provided in electronic form on the enclosed CD, shows a list of the number of class members in each state and the estimated proportionate share of the claims held by class members in each such state relative to the entire settlement.

12. 28 U.S.C. § 1715(b)(8): There are no written judicial opinions relating to the materials described under subparagraphs (3) through (6) of 28 U.S.C. § 1715(b).

Dated: February 25, 2022
New York, New York

/s/ Leo T. Crowley
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Counsel for GUC Recovery Trustee

Exhibit B

CAFA NOTICE SERVICE LIST

California Workforce Development Board

Attn: Tim Rainey, Executive Director
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