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Kwame O. Akuffo

Counsel for GUC Recovery Trustee

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

-----	X	
In re:	:	Chapter 11
	:	
JCK LEGACY COMPANY, <i>et al.</i> ,	:	Case No. 20-10418 (MEW)
	:	
Debtors. ¹	:	(Jointly Administered)
	:	
-----	X	Related Dkt. Nos. 1410, 1419, 1433, 1441, 1442

**GUC RECOVERY TRUSTEE'S STATEMENT REGARDING RESPONSES TO
JOINT MOTION TO APPROVE CLASS ACTION SETTLEMENT BETWEEN
GUC RECOVERY TRUSTEE AND BECERRA CLASS REPRESENTATIVES**

William A. Brandt, Jr., in his capacity as trustee (the "**GUC Recovery Trustee**") of the JCK GUC Recovery Trust created under GUC Recovery Trust Agreement and the *First Amended Joint Chapter 11 Plan of Distribution of JCK Legacy Company and Its Affiliated Debtors and Debtors in Possession*, through his undersigned counsel, files this statement (the "**Statement**") regarding responses to the *Joint Motion to Approve Class Action Settlement Between GUC Recovery Trustee and Becerra Class Representatives* (the "**Joint Motion**") [ECF No. 1410].

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.



STATEMENT

1. On February 25, 2022, the GUC Recovery Trustee filed the Joint Motion, seeking preliminary and final approval of a settlement agreement between the GUC Recovery Trustee and Veronica Becerra, Roger Carpenter, Vanessa Castro, Alma Landeros, Randy Leyva, and Williams Herrera Luis (the “**Class Representatives**”), on their own behalf and similarly situated class members (together with the Class Representatives, the “**Class**,” and each member within the Class, the “**Class Members**”, and together with the Class Representatives and the GUC Recovery Trustee, the “**Parties**”). That same day, the GUC Recovery Trustee served the Joint Motion and accompanying documents, including the Class Notice and the settlement agreement on federal and state officials under the Class Action Fairness Act (“**CAFA Notice**”), 28 U.S.C. § 1715 *et seq.* [ECF No. 1419].

2. On March 17, the Court held a hearing on the Joint Motion and ordered that the GUC Recovery Trustee serve a supplemental CAFA Notice to federal and state officials. On March 18, the Court entered an order preliminarily approving the class settlement between the Parties, the Class Notice and an Opt-Out Form (the “**Preliminary Approval Order**”) [ECF No. 1433]. The Preliminary Approval Order required that the Class Notice be mailed by the class administration agent (CPT Group, Inc.) to the Class Members within ten (10) business days after entry of the Preliminary Approval Order, and that objections and responses to the class settlement be received by the Parties no later than May 15, 2022. Because May 15 was a Sunday, the GUC Recovery Trustee revised the objection/opt-out deadline in the Class Notice to Monday, May 16.

3. On April 1, CPT Group mailed a supplemental CAFA Notice to federal and state officials and to the Class, a copy of the Preliminary Approval Order, the Class Notice, a Proof of Claim Form, and the Opt-Out Form. On April 6, the GUC Recovery Trustee filed the *Affidavit of*

Service of Class Notice, Proof of Claim Form, and Opt-Out Form [ECF No. 1441] and the *Affidavit of Service of Supplemental Notice Under Class Action Fairness Act* [ECF No. 1442].

4. The GUC Recovery Trustee did not receive any objection to the class settlement.

5. On April 25, the GUC Recovery Trustee received an Opt-Out Form from Mr. Eric Molina, requesting that he be excluded from the Class. Concerned that Mr. Molina might have misunderstood the rights he would be giving up by opting out (i.e., no distribution from the settlement), on May 26, counsel for the GUC Recovery Trustee mailed a letter to Mr. Molina to determine whether Mr. Molina would reconsider his decision. A copy of the letter is attached as **Exhibit A**. As of the filing date of this Statement, counsel has not heard from Mr. Molina.

6. The GUC Recovery Trustee is concerned that Mr. Molina may have misunderstood the settlement structure. Accordingly, the GUC Recovery Trustee requests that the final approval order authorize (but not direct) the GUC Recovery Trustee to reinstate Mr. Molina as a class member if he determines that Mr. Molina's opt out was caused by a misunderstanding and that the GUC Recovery Trustee have the same rights with respect to other opt outs (although no further opt outs are expected since the deadline has passed).

7. On April 29, Ms. Roberta Morales submitted a proof of claim in the amount of \$15,000, but did not complete the Opt-Out Form. On May 5, the GUC Recovery Trustee's counsel, Kwame Akuffo, spoke with Ms. Morales by phone, who explained to Mr. Akuffo that she filed the claim because she did not have a car since she left Fresno Bee. Ms. Morales also stated that she filed the claim due to unreimbursed mileage expenses she incurred as a newspaper carrier.

8. Mr. Akuffo explained to Ms. Morales that a proof of claim is not necessary because she is already entitled to receive a distribution from the class settlement. Ms. Morales stated that she misunderstood the requirement of filing a claim and requested that her claim be withdrawn.

On May 6, Mr. Akuffo sent a formal response by email to Ms. Morales regarding the call and explaining to Ms. Morales that she would still be entitled to receive a distribution from the class settlement if she withdrew her claim. On June 7, Ms. Morales agreed to withdraw her claim and remain in the Class. A copy of the Morales email correspondence is attached as **Exhibit B**.

9. On May 17, Jeanie Lee Shelley submitted a proof of claim to CPT Group without listing an amount, and did not complete the Opt-Out Form. On June 7, Mr. Akuffo spoke with Ms. Shelley, who explained to Mr. Akuffo that she submitted the claim to recover unreimbursed mileage expenses she incurred as a newspaper carrier for Fresno Bee from 2008 to 2009. Mr. Akuffo explained to Ms. Shelley that the class settlement already covers the basis for her claim. After the call, Mr. Akuffo sent a formal response by email to Ms. Shelley regarding the call and explaining to Ms. Shelley that she would still be entitled to receive a distribution from the class settlement if she withdrew her claim. In response, Ms. Shelley agreed to withdraw her claim. A copy of the Shelley email correspondence is attached as **Exhibit C**.

Dated: June 14, 2022
New York, New York

/s/ Leo T. Crowley
PILLSBURY WINTHROP SHAW PITTMAN LLP
Leo T. Crowley
Paula M. Weber
Patrick E. Fitzmaurice
Kwame O. Akuffo
31 West 52nd Street
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leo.crowley@pillsburylaw.com
kwame.akuffo@pillsburylaw.com

Counsel for GUC Recovery Trustee

Exhibit A

Letter to Eric Molina



Pillsbury Winthrop Shaw Pittman LLP
31 West 52nd Street | New York, NY 10019-6131 | tel 212.858.1000 | fax 212.858.1500

Leo T. Crowley
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May 26, 2022

BY MAIL

Eric R. Molina


Re: *In re JCK Legacy Co. et al, Case No. 20-10418 (MEW)*
Becerra Class Action Settlement

Dear Mr. Molina,

We represent William A. Brandt, Jr. (the “GUC Recovery Trustee”), the appointed trustee of the GUC Recovery Trust established under the confirmed chapter 11 plan of JCK Legacy Company in the above-referenced case.

On February 25, 2022, the GUC Recovery Trustee filed a joint motion to approve a class action settlement entered between the GUC Recovery Trustee and the Class Representatives (the “Parties”) appointed in the matter of *Veronica et al. v. The McClatchy Co., et al.*, Case No. 08CECG04411 (KAG). On March 17, 2022, the Bankruptcy Court entered an order (the “Preliminary Approval Order”) approving the form of notice to the class and the class action settlement on a preliminary basis. Attached to the Preliminary Approval Order was the class notice and an “opt-out” form, permitting class members to exclude themselves from the class and from any payment under the class action settlement.

On April 1, 2022, the class administration agent (CPT Group, Inc.) sent a copy of the Preliminary Approval Order, the class notice, and the “opt-out” form to class members, including you. On April 26, 2022, we received your opt-out form in which you request to be excluded from the class. By doing so, you gave up your right to receive any payment from the net settlement amount under the class action settlement.

Eric R. Molina
May 26, 2022
Page 2

We want to give you an opportunity to reconsider your decision. Perhaps you misunderstood the rights you were giving up by opting out and thus we would prefer to leave you in the class, as opposed to have you excluded. If reinstated as a class member, you will be entitled to receive a distribution from the net settlement amount under the class action settlement.

We look forward to hearing from by **June 6, 2022**. You can contact us by telephone or by email at the number or email addresses listed above.

Very truly yours,

/s/ Leo T. Crowley

Leo T. Crowley
Patrick E. Fitzmaurice
Kwame O. Akuffo

Counsel to GUC Recovery Trustee

cc: William A. Brandt, Jr.
Yale Bogen

Exhibit B

Morales Email Correspondence

From: [Roberta Morales](#)
To: [Akuffo, Kwame O.](#)
Subject: Re: FW: McClathcy Newspapers/Fresno Bee Class Action: Roberta Morales
Date: Tuesday, June 7, 2022 7:20:05 PM



I do agree to withdraw my claim with respect to McClatchy

Roberta Morales

On Tue, Jun 7, 2022 at 4:17 PM Akuffo, Kwame O. <kwame.akuffo@pillsburylaw.com> wrote:

Kwame O. Akuffo | Associate

Pillsbury Winthrop Shaw Pittman LLP

[31 West 52nd Street | New York, NY 10019-6131](#)

t +1.212.858.1070

kwame.akuffo@pillsburylaw.com | [website bio](#)

From: Akuffo, Kwame O.

Sent: Tuesday, June 7, 2022 5:05 PM

To: 'nanascrafts55@gmail.com' <nanascrafts55@gmail.com>; 'nanascrafts55@icloud.com' <nanascrafts55@icloud.com>

Subject: FW: McClathcy Newspapers/Fresno Bee Class Action: Roberta Morales

Importance: High

Ms. Morales – Please see the attached and below.

Best,

Kwame

From: Akuffo, Kwame O.

Sent: Monday, June 6, 2022 8:13 PM

To: 'nanacrafts55@gmail.com' <nanacrafts55@gmail.com>

Subject: FW: McClathcy Newspapers/Fresno Bee Class Action: Roberta Morales

Importance: High

Ms. Morales,

Please confirm that you agree to withdraw you claim in order to receive a distribution from the class action settlement.

Best regards,

Kwame Akuffo

From: Akuffo, Kwame O.

Sent: Friday, May 6, 2022 6:11 PM

To: 'nanacrafts55@gmail.com' <nanacrafts55@gmail.com>

Cc: Crowley, Leo T. <leo.crowley@pillsburylaw.com>

Subject: McClathcy Newspapers/Fresno Bee Class Action: Roberta Morales

Dear Ms. Morales,

My name is Kwame Akuffo and I represent William A. Brandt, Jr., the appointed trustee of the GUC Recovery Trust in McClatchy's bankruptcy cases. Thank you for taking my call yesterday. This email is a formal response to a proof of claim (the "Claim") you filed in connection with the class action settlement related to Fresno Bee. The purpose of the settlement is to deal with only "mileage reimbursement" claims.

In response to the attached Class Notice received, you filed the Claim in the amount of \$15,000 because you do not have a car. During our call on yesterday, you explained to me that you have not had a car since you left McClatchy. You also stated that you incurred various expenses as a newspaper carrier and did not get reimbursed for such expenses. As explained, class members are entitled to receive an equal share of any payment made to the class administrator on behalf of the class. Class members are entitled to such recovery only if they do not opt-out of the

class and file a proof of claim. You have not opted out, but have instead elected to file the Claim.

We recommend that you withdraw the Claim. You will still be entitled to receive a distribution from the class action settlement if the Claim is withdrawn.

Please let us know if you have any questions or comments or would like to discuss further.

Best,

The contents of this message, together with any attachments, are intended only for the use of the individual or entity to which they are addressed and may contain information that is legally privileged, confidential and exempt from disclosure. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this message, or any attachment, is strictly prohibited. If you have received this message in error, please notify the original sender or the Pillsbury Winthrop Shaw Pittman Service Desk at Tel: 800-477-0770, Option 1, immediately by telephone and delete this message, along with any attachments, from your computer. Nothing in this message may be construed as a digital or electronic signature of any employee of Pillsbury Winthrop Shaw Pittman. Thank you.

Exhibit C

Shelley Email Correspondence

From: nonnie654@gmail.com
To: [Akuffo, Kwame O.](#)
Subject: Re: McClatchy Newspapers/Fresno Bee Class Action: Jeanie L. Shelley
Date: Tuesday, June 7, 2022 10:03:52 PM
Attachments: [imagebcd801.PNG](#)
[imageff0f98.PNG](#)



Hello,

With your advice in mind I could like to withdraw my claim and still be involved in the class action lawsuit.

Thank you for your time and efforts

-Jeanie

Sent from my T-Mobile 4G LTE device

----- Original message -----

From: Akuffo, Kwame O.
Date: Tue, Jun 7, 2022 9:41 AM
To: nonnie654@gmail.com;
Cc: Crowley, Leo T.;
Subject: McClatchy Newspapers/Fresno Bee Class Action: Jeanie L. Shelley

Dear Ms. Shelley,

My name is Kwame Akuffo and I represent William A. Brandt, Jr., the appointed trustee of the GUC Recovery Trust in McClatchy Newspaper's chapter 11 bankruptcy cases. Thank you for taking my call earlier today. This email is a formal response to a proof of claim (the "Claim") (copy attached) you filed in connection with the class action settlement related to Fresno Bee. The purpose of the settlement is to deal with only "mileage reimbursement" claims.

In response to the Class Notice received (copy attached), you filed the Claim without listing an amount. During our call, you stated that you filed the Claim to recover unreimbursed mileage expenses you incurred as a newspaper carrier for Fresno Bee from 2008 to 2009. I explained to you that the class action settlement described in the Class Notice already addresses the basis for your Claim and that a proof of claim is not necessary. As further explained, class members are entitled to receive an equal share of any payment made to the class administrator (CPT Group, Inc.) on behalf of the class. Class members are entitled to such recovery only if they do not opt-out of the class and file a proof of claim. You did not complete the opt-out form, but instead elected to file the Claim.

We recommend that you withdraw the Claim. If you agree, please confirm by replying to this email. As explained, you will still be entitled to receive a distribution from the class action settlement if the Claim is withdrawn.

We look forward to hearing from you and are happy to address any questions or comments or discuss further.

Best regards,

Kwame O. Akuffo | Associate

Pillsbury Winthrop Shaw Pittman LLP

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kwame.akuffo@pillsburylaw.com | website bio

AUSTIN BEIJING HONG KONG HOUSTON LONDON LOS ANGELES
MIAMI NASHVILLE **NEW YORK** NORTHERN VIRGINIA PALM BEACH
SACRAMENTO SAN DIEGO SAN FRANCISCO SHANGHAI
SILICON VALLEY TAIPEI TOKYO WASHINGTON, DC



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