

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

Guillen v. Max’s Artisan Breads, Inc. et al.

Fresno County Superior Court, Case No. 21CECG02164

**THIS IS A COURT-AUTHORIZED NOTICE. IT IS NOT A SOLICITATION.
PLEASE READ THIS NOTICE CAREFULLY.
YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DO NOT ACT.**

To: All current and former non-exempt employees of Max’s Artisan Breads, Inc. and employees of Partners Personnel—Management Services, LLC, and Nexem Partners, LLC who worked on an assignment at Max’s Artisan Breads, Inc., in the state of California, at any time between July 28, 2017, and May 22, 2022.

BASIC INFORMATION

1. What is this settlement about?

A lawsuit was commenced by Marlon Ramon Guillen (“Plaintiff”) a former employee of Max’s Artisan Breads, Inc., Partners Personnel—Management Services, LLC, and Nexem Partners, LLC (“Defendants”) on July 28, 2021. The case is currently pending in the Fresno County Superior Court, Case No. 21CECG02164.

The lawsuit claims that Defendants violated sections of the California Labor Code and California Business and Professions Code. Specifically, Plaintiff alleges that Defendants failed to provide compliant meal and rest periods and associated premium pay, did not properly pay employees all wages owed for time worked, did not provide accurate wage statements, did not timely pay all wages during employment and all wages owed at termination of employment, failed to reimburse employees for necessary business expenses, and maintained unfair business practices. The settlement also seeks to recover penalties pursuant to the California Private Attorneys General Act (“PAGA”). The lawsuit claims that the Defendants violated the California Labor Code and the California Business and Professions Code, entitling Class Members to, *inter alia*, damages, penalties and restitution. Defendants deny all alleged violations and deny that they owe Class Members any remedies. The Court has not made a ruling on the merits of the case.

2. Why is this a class action?

In a class action, one or more people called the Class Representative sue on behalf of people who appear to have similar claims. All these people are referred to here as Class Members. In a class action one court resolves the issues for all Class Members in one lawsuit, except for those who exclude themselves from the Class. Fresno County Superior Court is in charge of this class action.

3. Why is there a settlement?

The Court has not decided in favor of the Plaintiff or Defendants. Instead, both sides agreed to a settlement which is memorialized in the Joint Stipulation of Class Action and PAGA Settlement (“Agreement” or “Settlement”). On June 7, 2023 the Court granted preliminary approval of the Settlement, appointed Plaintiff Marlon Ramon Guillen as the Class Representative, and appointed his attorneys at Protection Law Group as counsel for the Class (“Class Counsel”). The Class Representative and Class Counsel think the Settlement is best for the Class.

WHO IS IN THE SETTLEMENT?

4. How do I know if I am part of the settlement?

You are part of the Settlement, and a Class Member, if you were employed by Max’s Artisan Breads, Inc. or were employed by Partners Personnel—Management Services, LLC or Nexem Partners, LLC and worked on an assignment at Max’s Artisan Breads, Inc., in the state of California, at any time between July 28, 2017, and May 22, 2022 (“Class Period”).

THE SETTLEMENT BENEFITS—WHAT YOU GET

5. What does the settlement provide?

The Settlement provides that Defendants will pay a maximum of Four Hundred and Ninety-Nine Thousand Dollars (\$499,000) (“Gross Settlement Amount”). This includes all costs and attorneys’ fees for Class Counsel.

The “Net Settlement Amount” is the portion of the Gross Settlement Amount that will be available for distribution to Class Members who do not submit timely and valid requests for exclusion in exchange for the release of their class claims. The Net Settlement Amount is the Gross Settlement Amount less the following amounts (which are subject to Court approval):

- A. **Attorneys’ Fees to Class Counsel** not to exceed 34% of the Gross Settlement Amount or One Hundred and Sixty-Nine Thousand Six Hundred and Sixty Dollars (\$169,660);
- B. **Litigation Costs/Expenses to Class Counsel** not to exceed Thirty Thousand Dollars (\$30,000);
- C. **Enhancement Payment to the Class Representative** in an amount not to exceed Five Thousand Dollars (\$5,000);
- D. **Settlement Administration Costs** which are currently estimated to be Ten Thousand Dollars (\$10,000); and
- E. **PAGA Payment** in the amount of Fifty Thousand Dollars (\$50,000) for the settlement of claims arising under the Private Attorney’s General Act of 2004 (“PAGA”). Seventy-Five percent (75%) of this amount, (\$37,500) shall be paid to the LWDA. The remaining twenty-five percent (25%) (\$12,500) will be distributed to non-exempt employees of Max’s Artisan Breads, Inc. and employees of Partners Personnel—Management Services, LLC, and Nexem Partners, LLC who worked on an assignment at Max’s Artisan Breads, Inc., in the state of California, at any time between July 28, 2020, and May 22, 2022 (“PAGA Period”) for the release of their claims arising under PAGA.

The amount you are eligible to receive from the settlement, your “Individual Settlement Payment” will be determined on a *pro rata* basis, based on the number of weeks where a Class Member actively worked on at least 1 day for Max’s Artisan Breads, Inc. or on an assignment at Max’s Artisan Breads, Inc. between July 28, 2017, and May 22, 2022, and recorded time in Max’s Artisan Bread’s timekeeping system (“Workweeks”). Your Individual Settlement Payment includes both your estimated share of the Net Settlement Amount and, if eligible, your share of the PAGA Payment.

Your Individual Settlement Payment will be apportioned as twenty percent (20%) wages, forty percent (40%) interest and forty percent (40%) penalties. The wage portion of the Individual Settlement Payment will be subject to withholding for the employee taxes and will be reported on a W-2 Form. Employer-side payroll taxes shall be paid separately from and in addition to the Gross Settlement Amount. The penalties and interest portions of each class member’s settlement payment will not be subject to any withholdings and will be reported on an IRS Form 1099.

You worked «Total_Weeks» Workweeks during the Class Period. The Class Portion of your Individual Settlement Payment is «ESA_Before_Paga». The amount of the payment may change depending on the number of timely and valid requests for exclusions submitted in the Settlement, if any.

You worked «PAGA_Work_Weeks» Workweeks during the PAGA Period. In addition to the Class Portion of your Individual Settlement Payment, you will receive approximately «PAGA_Amount» as part of the settlement of claims arising under the Private Attorneys General Act.

These amounts were determined based on Defendants’ record of your employment between July 28, 2017, and May 22, 2022, and is presumed correct. If you dispute the accuracy of Defendants’ records as to the number of Workweeks worked during the Class Period, you must contact the Settlement Administrator and provide any documentation you have supporting such dispute by August 28, 2023. All disputes regarding your total Workweeks worked will be resolved and decided by the Parties or if the Parties cannot agree, the Court, after you submit evidence to the Settlement Administrator. The Settlement Administrator’s contact information is listed below:

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

HOW TO GET A PAYMENT FROM THE SETTLEMENT

6. How can I get a payment?

You do not have to do anything to qualify for a payment of your portion of the Settlement.

7. What am I giving up if I do not request to be excluded from the Settlement?

Upon the funding of the Gross Settlement Amount by Defendants, in exchange for the consideration set forth by the Settlement, Class Members who do not submit a timely request for exclusion will release the “Released Parties” from the “Released Class Claims” for the “Class Period.”

The “Released Parties” include Defendants and any of their past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

The “Released Class Claims” include all claims, rights, demands, liabilities and causes of actions that are alleged, or that reasonably could have been alleged, based on the facts asserted in the operative complaint in the Action including the following claims: (i) failure to pay all regular wages, minimum wages and overtime wages due; (ii) failure to provide meal periods or compensation in lieu thereof; (iii) failure to provide rest periods or compensation in lieu thereof; (iv) failure to reimburse necessary business expenses; (v) failure to provide complete, accurate wage statements; (vi) failure to pay wages timely at time of termination or resignation; (vii) failure to provide timely pay wages during employment ; and (viii) unfair business practices that could have been premised on the facts pled in the operative complaint.

The “Class Period” during which the release of Released Class Claims pertains is from July 28, 2017, to May 22, 2022.

EXCLUDING YOURSELF FROM THE RELEASE OF THE CLASS CLAIMS

If you want to keep the right to sue or continue to sue Defendants with respect to the Released Class Claims then you must submit a request for exclusion in conformity with the requirements set forth herein. If you exclude yourself, you will not receive payment from the Net Settlement Amount. However, if eligible, you will still receive a payment in an amount equal to your estimated *pro rata* share of the PAGA Payment because the Request for Exclusion does not apply to this claim.

8. How can I not participate in the Settlement?

To exclude yourself from the release of Released Class Claims you must submit a written request for exclusion. You must include your name, address, telephone number and the last four digits of your social security number and/or Employee ID number. Your request for exclusion must also include a statement that you do not wish to be included in this action similar to the following: I wish to exclude myself from the class action settlement reached in the matter of *Guillen v. Max's Artisan Breads, Inc.* I understand that by excluding myself I will not receive money from the settlement of my individual claims.”

The written request for Exclusion must be mailed to the Settlement Administrator at the address listed below, post-marked by August 28, 2023. You cannot exclude yourself by phone.

Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863

If you ask to be excluded, you will not receive payment of any portion of the Net Settlement Amount related to the Released Class Claims and you cannot object to the Settlement. You will not be legally bound by the release of Released Class Claims.

You may be able to sue Defendants and/or the Released Parties or continue any suit you have pending against Defendants or the Released Parties, regarding the Released Class Claims.

9. If I don't exclude myself, can I sue Defendants for the same thing later?

No. Unless you submit a request for exclusion, you give up the right to sue Defendants and Released Parties for the Released Class Claims. If you have a pending lawsuit involving the Released Class Claims, speak to your lawyer in that lawsuit immediately.

10. If I exclude myself, can I get money from this settlement?

No. You will not receive the Class Portion of your Individual Settlement Payment. But if you submit a timely and valid request for exclusion, you retain any right that you may have to sue, continue to sue, or be part of a different lawsuit against Released Parties for Released Class Claims. You will still receive your portion of the PAGA Payment, if any, as you cannot request to be excluded from the settlement of this claim.

THE LAWYERS REPRESENTING YOU

11. Do I have a lawyer in this case?

The Court has approved PROTECTION LAW GROUP, LLP. as Class Counsel. The firm’s contact information is:

PROTECTION LAW GROUP LLP

Heather Davis, Esq.
Amir Nayebdadash, Esq.
237 California Street
El Segundo, California 90245
Telephone: (424) 290-3095

Class Counsel will ask the Court for attorneys’ fees of up to \$169,660 and reimbursement of litigation cost/expenses of up to \$30,000. These amounts are subject to Court approval and the Court may award less than these amounts.

OBJECTING TO THE SETTLEMENT

You can object to the Settlement or some part of it.

12. How do I tell the Court if I don’t like the settlement?

If you are a Class Member, you can object to the Settlement and you can give reasons for why you think the Court should not approve it. The Court will consider your views. To object, you must mail your objection to the Settlement Administrator no later than August 28, 2023. Your objection must include your full name, address, telephone number, the last four digits of your social security number or employee ID number, and the specific reason for your objection. You may also come to the Final Approval Hearing on October 17, 2023 and make an objection at that time, regardless of whether you submitted a written objection.

13. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT’S FAIRNESS HEARING

The Court will hold a hearing to decide whether to grant final approval of the Settlement (“Final Approval Hearing”). You may attend, but you do not have to attend.

14. When and where will the Court decide whether to approve the settlement?

The Court will hold the Final Approval Hearing at 3:30 p.m. on October 17, 2023, in Department 502 of the Fresno County Superior Court located at 1130 O Street, Fresno, California 93724.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate, and determine whether to grant final approval of the Settlement. If there are objections, the Court will consider them.

15. Do I have to come to the hearing?

No. If you agree to the Settlement you do not have to come to Court to talk about it. However, you may attend. You may also retain your own lawyer at your expense to attend on your behalf.

16. How will I learn if the settlement was approved

A notice of final judgment will be posted on the Settlement Administrator website located at <https://www.phoenixclassaction.com/guillen-v-maxs-artisan-breads/>.

IF YOU DO NOTHING

17. What happens if I do nothing at all?

If you do nothing, you will receive your share of the Settlement, and you will release the Released Class Claims. You will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants or Released Parties about the Released Class Claims, ever again. Your Individual Settlement Payment will be mailed to you and remain valid and negotiable for 180 days. If you do not cash your settlement check within 180 days, these funds will be transferred to the Controller of the State of California's Unclaimed Property Fund. You may then claim these funds from there.

GETTING MORE INFORMATION

18. How do I get more information?

This notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by viewing the settlement located on the Settlement Administrator's website at <https://www.phoenixclassaction.com/guillen-v-maxs-artisan-breads/> or by contacting the Settlement Administrator or Class Counsel.

WHAT IF MY INFORMATION CHANGES?

19. What if my contact information changes ?

It is your responsibility to inform the Settlement Administrator of your updated information to ensure receipt of settlement payments or communications regarding this matter. You can change or update your contact information by contacting the Settlement Administrator.

DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE LITIGATION TO THE CLERK OF THE COURT OR THE JUDGE