

**JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT**

This Joint Stipulation of Class Action and PAGA Settlement is entered into by and between Plaintiff MARLON RAMON GUILLEN, individually and on behalf of the Settlement Class and Defendants SELMA PALLET, INC., PARTNERS PERSONNEL - MANAGEMENT SERVICES, LLC and NEXEM PARTNERS, LLC.

**DEFINITIONS**

1. “Agreement” or “Settlement Agreement” means this Joint Stipulation of Class Action and PAGA Settlement.

2. “Class Action” means the court action, entitled “*Marlon Ramon Guillen v. Selma Pallet, Inc. et. al*, Case No. 21CECG02941.

3. “PAGA Action” means the court action, entitled “*Marlon Ramon Guillen v. Selma Pallet, Inc. et. al*, Case No. 21CECG03614.

4. “Class Counsel” means Protection Law Group.

5. “Class Counsel’s Fees and Costs” means attorneys’ fees for Class Counsel’s litigation and resolution of this Action and their expenses and costs incurred in connection with the Action, which shall be paid from the Gross Settlement Amount. Class Counsel will request attorneys’ fees not to exceed one-third (1/3) of the Gross Settlement Amount, i.e. One Hundred Fifty Thousand Dollars (\$150,000.00) and the reimbursement costs and expenses associated with the litigation and settlement of the Action, not to exceed Twenty Thousand Dollars (\$20,000.00), subject to the Court’s approval. Defendants have agreed not to oppose Class Counsel’s request for fees and reimbursement of costs and expenses in the amount set forth above.

6. “Class List” means a complete list of all Class Members that Defendants will diligently and in good faith compile from their records and provide to the Settlement Administrator within fourteen (14) calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include Class Member’s: (1) full name; (2) last known home address; (3) last known telephone number; (4) social security number; (5) start and end dates of active employment as a non-exempt employee

1 of Defendants in the State of California; (6) total Workweeks during the Class period; (7) total  
2 Workweeks during the PAGA period; and (8) any other information required by the Settlement  
3 Administrator in order to effectuate the terms of the Settlement.

4 7. “Class” or “Class Members” means all current and former non-exempt employees  
5 of Selma Pallet, Inc., or employees of Partners Personnel – Management Services, LLC, and  
6 Nexem Partners, LLC who worked on an assignment at Selma Pallet, Inc., in the state of California,  
7 at any time during the Class Period.

8 8. “Class Period” means the period from October 1, 2017, through October 2, 2022.

9 9. “Class Representative” means Marlon Ramon Guillen in his capacity as  
10 representative of the Participating Class Members.

11 10. “Class Representative Enhancement Payment” or “Plaintiff Incentive Payment”  
12 means the amount that the Court authorizes to be paid to Plaintiff Marlon Ramon Guillen, in  
13 addition to his Individual Settlement Payments, in recognition of the efforts and risks he has taken  
14 in assisting with the prosecution of the Action and in exchange for the General Release of his  
15 claims as provided herein.

16 11. “Defendants” means Selma Pallet, Inc., Partners Personnel – Management  
17 Services, LLC and Nexem Partners, LLC.

18 12. “Effective Date” means: the later of the following: (a) if no timely objections are  
19 filed or if all objections are withdrawn, the date upon which the Court enters Final Approval; (b)  
20 if an objection is filed and not withdrawn, the date for filing an appeal and no such appeal being  
21 filed; (c) if any timely appeals are filed, the date of the resolution (or withdrawal) of any such  
22 appeal in a way that does not alter the terms of the settlement.

23 13. “Final Approval” means the Court entering an order granting final approval of the  
24 Settlement Agreement.

25 14. “Gross Settlement Amount” means the sum of Four Hundred Fifty Thousand  
26 Dollars (\$450,000.00). The Gross Settlement Amount is non-reversionary; no portion of the Gross  
27 Settlement Amount will return to Defendants.

1           15.    “Individual Settlement Payment” means the amount payable from the Net  
2 Settlement Amount to each Participating Class Member and any payment a PAGA Member is  
3 eligible to receive from the employee portion of the PAGA Payment. Individual Settlement  
4 Payments shall be paid by a Settlement Check made payable to Participating Class Members  
5 and/or PAGA Members.

6           16.    “Net Settlement Amount” means the funds available for payments to the Class,  
7 which shall be the amount remaining after the following amounts are deducted from the Gross  
8 Settlement Amount: (1) Class Counsel’s fees, (2) Class Counsel’s costs, (3) Settlement  
9 Administration Costs, (4) Class Representative Enhancement Payment to Plaintiff Marlon Ramon  
10 Guillen; and (5) the PAGA Payment to the California Labor and Workforce Development Agency  
11 (“LWDA”) and PAGA Members.

12           17.    “Notice” means the Notice of Class Action Settlement in a form substantially  
13 similar to the form attached hereto as Exhibit A, that will be mailed to Class Members’ last known  
14 addresses and which will provide Class Members with information regarding the Action and  
15 information regarding the settlement of the Action.

16           18.    “PAGA” means the California Labor Code Private Attorneys General Act of 2004  
17 (Cal. Lab. Code §§ 2698, *et seq.*, “PAGA”).

18           19.    “PAGA Members” means all current and former non-exempt employees of Selma  
19 Pallet, Inc., or employees of Partners Personnel – Management Services, LLC, and Nexem  
20 Partners, LLC who worked on an assignment at Selma Pallet, Inc., in the state of California, at any  
21 time during the PAGA Period.

22           20.    “PAGA Payment” means the amount that the Parties have agreed to allocate in  
23 order to settle claims arising under the Private Attorneys General Act of 2004 (Cal. Lab. Code §§  
24 2698, *et seq.*) (“PAGA”). The Parties have agreed that Fifty Thousand Dollars (\$50,000.00) of the  
25 Gross Settlement Amount will be allocated to the resolution of Plaintiff’s PAGA Claims. Seventy  
26 Five Percent (75%) of this amount (\$37,500.00) will be paid to the California Labor and Workforce  
27 Development Agency (“LWDA”) in accordance with Labor Code §§ 2698 *et seq.* Twenty Five  
28 Percent (25%) of this amount (\$12,500.00), will be distributed to PAGA Members. PAGA

1 Members will receive payment from the employee portion of the PAGA Payment regardless of  
2 their decision to participate in the class action if the PAGA Payment is approved by the Court.

3 21. "PAGA Period" means the period from October 1, 2020, through October 2, 2022.

4 22. "Parties" means Plaintiff and Defendants, collectively, and "Party" shall mean  
5 either Plaintiff or Defendant, individually.

6 23. "Participating Class Members" means all Class Members who do not timely opt  
7 out of the Settlement.

8 24. "Plaintiff" means Marlon Ramon Guillen.

9 25. "Preliminary Approval" means the Court order granting preliminary approval of  
10 the Settlement Agreement.

11 26. "Objection" means a Class Member's valid and timely written objection to the  
12 Settlement Agreement. For an Objection to be valid, it must include: (a) the objector's full name,  
13 address, telephone number, last four digits of the employee's social security number or employee  
14 ID number; and (b) the name of the case and case number; and (c) a written statement of all grounds  
15 for the objection accompanied by legal support, if any, for such objection.

16 27. "Released Class Claims" means all claims, rights, demands, liabilities and causes  
17 of actions that are alleged, or reasonably could have been alleged, based on the facts alleged in the  
18 operative complaint in the Class Action, including factual claims regarding Defendants' alleged:  
19 (i) failure to pay all regular wages, minimum wages and overtime wages due; (ii) failure to provide  
20 meal periods or compensation in lieu thereof; (iii) failure to provide rest periods or compensation  
21 in lieu thereof; (iv) failure to reimburse necessary business expenses; (v) failure to provide  
22 complete, accurate wage statements; (vi) failure to pay wages timely at time of termination or  
23 resignation; (vii) failure to provide timely pay wages during employment; and (viii) unfair business  
24 practices. This release shall apply to claims arising during the Class Period.

25 28. "Released PAGA Claims" means all claims for civil penalties under the California  
26 Labor Code Private Attorneys General Act of 2004 that could have been premised on the facts  
27 alleged both in the PAGA Notice provided to the LWDA and in the operative complaint in the  
28

1 PAGA Action including but not limited to penalties that could have been awarded pursuant to  
2 Labor Code sections 210, 226.3, 1197.1, 558, and 2699.

3 29. “Released Parties” means Defendants Selma Pallet, Inc., Partners Personnel –  
4 Management Services, LLC and Nexem Partners, LLC as named by Plaintiff in the operative Class  
5 Action complaint and in the operative PAGA Action complaint, and their past, present and/or  
6 future, direct and/or indirect, officers, directors, members, managers, employees, agents,  
7 representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent  
8 companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint  
9 venturers.

10 30. “Response Deadline” means the date sixty (60) days after the Settlement  
11 Administrator mails Notice to Class Members and the last date on which Class Members may  
12 submit Requests for Exclusion, written objections to the Settlement, or Workweek Disputes. In the  
13 event the 60th day falls on a Sunday or a Federal holiday, the Response Deadline will be extended  
14 to the next day on which the U.S. Postal Service is open. The Response Deadline for Requests for  
15 Exclusion or objections will be extended fifteen (15) calendar days for any Class Member who is  
16 re-mailed a Notice by the Settlement Administrator, unless the 15th day falls on a Sunday or a  
17 Federal holiday, in which case the Response Deadline will be extended to the next day on which  
18 the U.S. Postal Service is open. The Response Deadline may also be extended by express  
19 agreement between Class Counsel and Defendants. Under no circumstances, however, will the  
20 Settlement Administrator have the authority to unilaterally extend the deadline for Class Members  
21 to submit a Request for Exclusion or objection to the settlement.

22 31. “Settlement” means the disposition of the Action pursuant to this Agreement.

23 32. “Settlement Administrator” means Phoenix Settlement Administrators. The Parties  
24 each represent that they do not have any financial interest in the Settlement Administrator or  
25 otherwise have a relationship with the Settlement Administrator that could create a conflict of  
26 interest.

27 33. “Settlement Administration Costs” mean the costs payable from the Gross  
28 Settlement Amount to the Settlement Administrator for administering this Settlement, including,

1 but not limited to, printing, distributing, and tracking documents for this Settlement,  
2 calculating/confirming the class member Workweeks from the information contained in the Class  
3 List, calculating each Participating Class Member's Individual Settlement Payment, tax reporting,  
4 distributing the Gross Settlement Amount, providing necessary reports and declarations, and other  
5 duties and responsibilities set forth herein to process this Settlement, and as requested by the  
6 Parties. Settlement Administration Costs shall not exceed Nine Thousand Dollars (\$9,000.00).

7 34. "Workweek" shall mean any week where a Class Member actively worked on at  
8 least 1 day for Selma Pallet, Inc. or on an assignment at Selma Pallet, Inc. during the Class Period  
9 and recorded time in Selma Pallet, Inc's timekeeping system.

#### 10 TERMS OF AGREEMENT

11 35. Settlement Consideration: Defendants shall fund the Gross Settlement Amount and  
12 all applicable employer-side payroll taxes following Final Approval by the Court and the  
13 occurrence of the Effective Date. The following will be paid out of the Gross Settlement Amount:  
14 the sum of the Individual Settlement Payments, the Class Representative Enhancement Payment,  
15 Class Counsel's Fees and Costs, the PAGA Payment, and the Settlement Administration Costs, as  
16 specified in this Agreement. Except for any employer-side taxes due on the Individual Settlement  
17 Payments, or as a result of an increase in the number of workweeks as set forth below, Defendants  
18 shall not be required to pay more than the Gross Settlement Amount. The Gross Settlement  
19 Amount is non-reversionary; no portion of the Gross Settlement Amount will revert to Defendants.

20 36. Potential Increase to the Gross Settlement Amount: Defendants have represented  
21 there are approximately 15,884 Workweeks worked by Class Members during the Class Period.  
22 Should the actual number of Workweeks during this period increase by more than ten percent  
23 (10%) (i.e. by more than 1,588 Workweeks) Defendants shall increase the Gross Settlement  
24 Amount on a pro-rata basis equal to the percentage increase in the number of Workweeks worked  
25 by the Class Members above 10%. For example, if the number of Workweeks increases by 11%,  
26 the Gross Settlement Amount will increase by 1%.

27 37. Funding of the Gross Settlement Amount: Within fourteen (14) calendar days of  
28 the Effective Date of the Settlement, Defendants will deposit the Gross Settlement Amount and all

1 applicable employer-side payroll taxes into a Qualified Settlement Fund (“QSF”) to be established  
2 by the Settlement Administrator. Defendants shall provide all information necessary for the  
3 Settlement Administrator to calculate necessary payroll taxes including its official name, 8 digit  
4 state unemployment insurance tax ID number, and other information requested by the Settlement  
5 Administrator, no later than seven (7) calendar days of the Effective Date.

6 38. Distribution of the Gross Settlement Amount: Within fourteen (14) calendar days  
7 of the funding of the Settlement, the Settlement Administrator will issue payments for: (a)  
8 Individual Settlement Payments; (b) the Payment of PAGA Penalties to the LWDA; (c) the  
9 Incentive Payment to the Plaintiff; (d) Class Counsel’s Fees and Costs and (e) Settlement  
10 Administration Costs.

11 39. Attorneys’ Fees and Costs: Defendants agree not to oppose any application or  
12 motion by Class Counsel for attorneys’ fees of not more than One Hundred Fifty Thousand Dollars  
13 (\$150,000.00) plus the reimbursement of costs and expenses associated with the litigation and  
14 settlement of the Action, in an amount not to exceed Twenty Thousand Dollars (\$20,000.00), both  
15 of which will be paid from the Gross Settlement Amount. Any portion of the requested fees or  
16 costs that is not awarded to the Class Counsel shall be reallocated to the Net Settlement Amount  
17 and distributed to Participating Class Members as provided in this Agreement.

18 40. Class Representative Enhancement Payment: Defendants agree not to oppose or  
19 object to any application or motion by Plaintiff for a Class Representative Enhancement Payment  
20 up to Seven Thousand Five Hundred Dollars (\$7,500) for Plaintiff Marlon Ramon Guillen. The  
21 Class Representative Enhancement Payment is in exchange for the General Release of the  
22 Plaintiff’s individual claims and for his time, effort and risk in bringing and prosecuting the Action.  
23 Any portion of the requested Class Representative Enhancement Payment that is not awarded to  
24 the Class Representative shall be reallocated to the Net Settlement Amount and distributed to  
25 Participating Class Members as provided in this Agreement.

26 41. Settlement Administration Costs: The Settlement Administrator will be paid for the  
27 reasonable costs of administration of the Settlement and distribution of payments from the Gross  
28

1 Settlement Amount as further set forth in this Agreement. Settlement Administration Costs shall  
2 not exceed Nine Thousand Dollars (\$9,000.00).

3 42. PAGA Payment: Fifty Thousand Dollars (\$50,000.00) shall be allocated from the  
4 Gross Settlement Amount for settlement of claims for civil penalties under the PAGA. The  
5 Settlement Administrator shall pay seventy-five percent (75%) of the PAGA Payment, or Thirty  
6 Seven Thousand Five Hundred Dollars (\$37,500.00), to the California Labor and Workforce  
7 Development Agency (“LWDA”). The remaining 25% the PAGA Penalties or Twelve Thousand  
8 Five Hundred Dollars (i.e., \$12,500.00) shall be paid to PAGA Members on a pro rata basis, based  
9 on the total number of Workweeks worked by each PAGA member during the PAGA Period.  
10 PAGA Members shall receive their portion of the PAGA Payment regardless of their decision to  
11 opt-out of the class settlement.

12 43. Net Settlement Amount for Payment of Class Claims: The Net Settlement Amount  
13 will be used to satisfy the class portion of Participating Class Members Individual Settlement  
14 Payments in accordance with the terms of this Agreement. The estimated Net Settlement Amount  
15 is as follows:

16	Gross Settlement Amount	\$	450,000.00
17	Class Representative Enhancement Payment:	\$	7,500.00
18	Class Counsel’s Fees:	\$	150,000.00
19	Class Counsel’s Costs:	\$	20,000.00
20	PAGA Penalties	\$	50,000.00
21	Settlement Administration Costs:	\$	9,000.00
22	<b>Estimated Net Settlement Amount</b>	<b>\$</b>	<b>213,500.00</b>

23 44. Individual Settlement Payment Calculations: Individual Settlement Payments will  
24 be paid from the Net Settlement Amount and the 25% portion of the PAGA Payment allocated for  
25 PAGA Members and shall be paid pursuant to the formula set forth herein:

26 a) Calculation of Class Portion of Individual Settlement Payments:

27 The Settlement Administrator will calculate the total Workweeks for all Participating Class  
28



1 Members by adding the number of Workweeks worked by each Participating Class Member during  
2 the Class Period. The respective Workweeks for each Participating Class Member will be divided  
3 by the total Workweeks for all Participating Class Members, resulting in the Payment Ratio for  
4 each Participating Class Member. Each Participating Class Member's Payment Ratio will then be  
5 multiplied by the Net Settlement Amount to calculate each Settlement Class Member's estimated  
6 share of the Net Settlement Amount.

7                   b)       Calculation of PAGA Portion of Individual Settlement Payments:

8 The Settlement Administrator will calculate the total Workweeks for all PAGA Members by  
9 adding the number of Workweeks worked by each PAGA Member during the PAGA Period. The  
10 respective Workweeks for each PAGA Member will be divided by the total Workweeks for all  
11 PAGA Members, resulting in the Payment Ratio for each PAGA Member. Each PAGA Member's  
12 Payment Ratio will then be multiplied by the employee portion of the PAGA Payment to calculate  
13 each PAGA Member's estimated share of the PAGA Payment. PAGA Members shall receive this  
14 portion of their Individual Settlement Payment regardless of whether they opt out of participating  
15 in the settlement of the class claims.  
16

17                   c)       Allocation of Individual Settlement Payments: All Individual

18 Settlement Payments will be allocated as follows: twenty percent (20%) of each Individual  
19 Settlement Payment will be allocated as wages, forty percent (40%) shall be allocated as interest,  
20 and forty percent (40%) shall be allocated as penalties. The portion of the Individual Settlement  
21 Payment allocated to wages will be reported by the Settlement Administrator on an IRS Form W-  
22 2. The remaining non-wage payments will be reported on an IRS Form-1099 by the Settlement  
23 Administrator.

24           46.   No Credit Toward Benefit Plans: The Individual Settlement Payments made to  
25 Participating Class Members under this Settlement, as well as any other payments made pursuant  
26 to this Settlement, will not be utilized to calculate any additional benefits under any benefit plans  
27 to which any Class Members may be eligible, including, but not limited to profit-sharing plans,  
28 bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and

1 any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not  
2 affect any rights, contributions, or amounts to which any Class Members may be entitled under  
3 any benefit plans.

4 47. Settlement Administration Process: The Parties agree to cooperate in the  
5 administration of the Settlement and to make all reasonable efforts to control and minimize the  
6 costs and expenses incurred in administration of the Settlement. The Settlement Administrator will  
7 provide the following services:

- 8 a) Establish and maintain a Qualified Settlement Fund.
- 9 b) Calculate the Individual Settlement Payment each Participating Class  
10 Member is eligible to receive and the portion of the PAGA Penalties each  
11 PAGA Member shall receive.
- 12 c) Print and mail the Notice.
- 13 d) Conduct additional address searches for mailed Notices that are returned as  
14 undeliverable.
- 15 e) Process Requests for Exclusion and field inquiries from Class Members.
- 16 f) Print and issue Settlement Payment Checks and prepare IRS W2 and 1099  
17 Tax Forms and any other filings required by any governmental taxing  
18 authority.
- 19 g) Provide declarations and/or other information to this Court as requested by  
20 the Parties and/or the Court regarding the settlement administration process.
- 21 h) Provide weekly status reports to counsel for the Parties.
- 22 i) Posting a notice of final judgment online at Settlement Administrator's  
23 website.
- 24 j) Translate the Notice from English to Spanish
- 25 k) Identify Opt-Outs and Report Opt-Outs to the Parties.

26 48. Delivery of the Class List: Within twenty-one (21) calendar days of Preliminary  
27 Approval, Defendants will provide the Class List to the Settlement Administrator. This is a  
28 material term of the Agreement, and if Defendants fail to comply, Plaintiff shall have the right to

1 void the Agreement.

2 49. Notice by First-Class U.S. Mail: Within seven (7) calendar days after receiving the  
3 Class List from Defendants, the Settlement Administrator will mail the Notice to all Class  
4 Members via regular First-Class U.S. Mail, using the most current, known mailing addresses  
5 identified in the Class List.

6 50. Confirmation of Contact Information in the Class List: Prior to mailing, the  
7 Settlement Administrator will perform a search based on the National Change of Address Database  
8 for information to update and correct for any known or identifiable address changes. Any Notice  
9 returned to the Settlement Administrator as non-deliverable on or before the Response Deadline  
10 will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto  
11 and the Settlement Administrator will indicate the date of such re-mailing on the Notice. If no  
12 forwarding address is provided, the Settlement Administrator will promptly attempt to determine  
13 the correct address using a skip-trace, or other search using the name, address and/or Social  
14 Security number of the Class Member involved, and will then perform a single re-mailing. If any  
15 notice sent to a Class Member by the Settlement Administrator is returned as undeliverable to a  
16 current employee, then Defendants shall make all reasonable efforts to obtain the current address  
17 from the Class Member and provide the same within seven (7) calendar days of notice from the  
18 Settlement Administrator. Those Class Members who receive a re-mailed Notice, whether by skip-  
19 trace or by request, will have between the later of (a) an additional fifteen (15) calendar days or  
20 (b) the Response Deadline to postmark a Request for Exclusion, or an objection to the Settlement.

21 51. Notice: All Class Members will be mailed a Notice. Each Notice will provide: (a)  
22 information regarding the nature of the Action; (b) a summary of the Settlement's principal terms;  
23 (c) the Class definition; (d) the total number of Workweeks each respective Class Member worked  
24 for Defendants during the Settlement Class Period; (e) each Class Member's estimated Individual  
25 Settlement Payment and the formula for calculating Individual Settlement Payments; (f) the dates  
26 which comprise the Class Period; (g) the deadlines by which the Class Member must postmark  
27 Requests for Exclusion, Objections to the Settlement, or Workweek Disputes; (h) the claims to be  
28 released, as set forth herein; and (j) the date for the final approval hearing.

1           52.    Disputed Information on Notice: Class Members will have an opportunity to  
2 dispute the information provided in their Notice. To the extent Class Members dispute the number  
3 of Workweeks with which they have been credited or the amount of their Individual Settlement  
4 Payment, Class Members may produce evidence to the Settlement Administrator showing that  
5 such information is inaccurate. Absent evidence rebutting Defendants' records, Defendants'  
6 records will be presumed determinative. However, if a Class Member produces evidence to the  
7 contrary by the Response Deadline, the Parties will evaluate the evidence submitted by the Class  
8 Member and the Parties will make the final decision as to the number of eligible Workweeks that  
9 should be applied and/or the Individual Settlement Payment to which the Class Member may be  
10 entitled. If the Parties do not agree, the dispute will be submitted to the Court.

11           53.    Defective Submissions: If a Class Member's Request for Exclusion is defective as  
12 to the requirements listed herein, that Class Member will be given an opportunity to cure the  
13 defect(s). The Settlement Administrator will mail the Class Member a cure letter within three (3)  
14 business days of receiving the defective submission to advise the Class Member that his or her  
15 submission is defective and that the defect must be cured to render the Request for Exclusion valid.  
16 The Class Member will have until the later of (a) the Response Deadline or (b) fifteen (15) calendar  
17 days from the date of the cure letter, whichever date is later, to postmark a revised Request for  
18 Exclusion. If a Class Member responds to a cure letter by filing a defective claim, then the  
19 Settlement Administrator will have no further obligation to give notice of a need to cure. If the  
20 revised Request for Exclusion is not postmarked within that period, it will be deemed untimely.

21           54.    Request for Exclusion Procedures: Any Class Member wishing to opt-out from the  
22 Action must sign and postmark a written Request for Exclusion to the Settlement Administrator  
23 by the Response Deadline. The Request for Exclusion must include (a) the Class Member's name,  
24 address, telephone number, and the last four digits of the Class Member's Social Security number  
25 and/or the Employee ID number and (b) a clear statement requesting to be excluded from the  
26 settlement of the class claims similar to the following: "I wish to exclude myself from the class  
27 settlement reached in the matter of *Guillen v. Selma Pallet, Inc. et al.* I understand that by  
28 excluding myself, I will not receive money from the settlement of my individual claims." The date

1 of the postmark on the return mailing envelope receipt confirmation will be the exclusive means  
2 to determine whether a Request for Exclusion has been timely submitted. All Requests for  
3 Exclusion will be submitted to the Settlement Administrator, who will certify jointly to Class  
4 Counsel and Defendants' Counsel the Requests for Exclusion that were timely submitted. All Class  
5 Members who do not request exclusion from the Action will be bound by all terms of the  
6 Settlement Agreement if the Settlement is granted final approval by the Court. The Request for  
7 Exclusion shall not be effective as to the release of claims arising under the Private Attorneys  
8 General Act.

9       55. Defendants' Right to Withdraw from Settlement: If five percent (5%) or more of  
10 the Class Members (rounded to the next whole number) elect not to participate in the Settlement,  
11 Defendants may, at their election, withdraw from the Settlement Agreement and all actions taken  
12 in furtherance of it will be thereby null and void. Defendants must meet and confer with Class  
13 Counsel prior to exercising this right and must make clear their intent to withdraw from this  
14 Settlement Agreement within fourteen (14) calendar days of the Settlement Administrator  
15 notifying the Parties of the total number of opt-outs. If Defendants exercise their right to withdraw  
16 from the Settlement Agreement, Defendants shall be responsible for all Settlement Administration  
17 Costs incurred to the date of rescission.

18       56. Settlement Terms Bind All Class Members Who Do Not Opt-Out: Upon the  
19 complete funding of the Gross Settlement Amount, any Class Member who does not affirmatively  
20 opt-out of the Settlement by submitting a timely and valid Request for Exclusion will be bound by  
21 all of its terms, including those pertaining to the Released Class Claims, as well as any Judgment  
22 that may be entered by the Court if it grants final approval to the Settlement. Class Members who  
23 opt-out of the Settlement shall not be bound by such Judgment or release.

24       57. Objection Procedures: To object to the Settlement, a Participating Class Member  
25 must postmark a valid Objection to the Settlement Administrator on or before the Response  
26 Deadline. The Objection must be signed by the Participating Class Member and contain all  
27 information required by this Settlement Agreement including the employee's full name, address,  
28 telephone number, the last four digits of their social security number and/or Employee ID number,

1 the name of the case and case number, and the specific reason including any legal grounds for the  
2 Participating Class Member's objection. The postmark date will be deemed the exclusive means  
3 for determining that the Notice of Objection is timely. Participating Class Members who fail to  
4 object in the manner specified above will be foreclosed from making a written objection, but shall  
5 still have a right to appear at the Final Approval Hearing in order to have their objections heard by  
6 the Court. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage  
7 Participating Class Members to submit written objections to the Settlement or appeal from the  
8 Order and Judgment. Class Counsel will not represent any Class Members with respect to any  
9 objections to this Settlement.

10 58. Certification Reports Regarding Individual Settlement Payment Calculations: The  
11 Settlement Administrator will provide Defendants' Counsel and Class Counsel a weekly report  
12 which certifies: (a) the number of Class Members who have submitted valid Requests for  
13 Exclusion; (b) the number of Notices returned and re-mailed and (c) whether any Class Member  
14 has submitted a challenge to any information contained in the Notice. Additionally, the Settlement  
15 Administrator will provide to counsel for both Parties any updated reports regarding the  
16 administration of the Settlement Agreement as needed or requested.

17 59. Uncashed Settlement Checks: Any checks issued by the Settlement Administrator  
18 to Participating Class Members and PAGA Members will be negotiable for at least one hundred  
19 eighty (180) calendar days. If a Participating Class Member or PAGA Member does not cash his  
20 or her Settlement Check or PAGA payment check within 180 days, the uncashed funds, subject to  
21 Court approval, shall be distributed to the Controller of the State of California to be held in trust  
22 pursuant to the Unclaimed Property Law, California Civil Code §1500, *et. seq.* for the benefit of  
23 those Participating Class Members and PAGA Members who did not timely cash their Settlement  
24 checks until such time that they claim their property. The Parties agree that this disposition results  
25 in no "unpaid residue" under California Civil Procedure Code § 384, as the entire Net Settlement  
26 Amount will be paid out to Participating Class Members and PAGA Members, whether or not they  
27 all cash their Settlement Checks or PAGA payment checks. Therefore, Defendants will not be  
28 required to pay any interest on such amounts. The Individual Settlement Payments provided to

1 Participating Class Members and to PAGA Members shall prominently state the expiration date  
2 or a statement that the Settlement Check will expire in one hundred eighty (180) days, or  
3 alternatively, such a statement may be made in a letter accompanying the Individual Settlement  
4 Payment. Expired Individual Settlement Payments will not be reissued, except for good cause and  
5 as mutually agreed by the Parties in writing. The parties agree no unclaimed funds will result from  
6 the settlement.

7 60. Administration of Taxes by the Settlement Administrator: The Settlement  
8 Administrator will be responsible for issuing to Plaintiff, Participating Class Members, and Class  
9 Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant  
10 to this Settlement. The Settlement Administrator will also be responsible for forwarding all payroll  
11 taxes and penalties to the appropriate government authorities.

12 61. Tax Liability: Defendants make no representation as to the tax treatment or legal  
13 effect of the payments called for hereunder, and Plaintiff and Participating Class Members are not  
14 relying on any statement, representation, or calculation by Defendants or by the Settlement  
15 Administrator in this regard. Plaintiff and Participating Class Members understand and agree that  
16 they will be solely responsible for the payment of any taxes and penalties assessed on the payments  
17 described herein. Defendants' share of any employer payroll taxes and other required employer  
18 withholdings due on the Individual Settlement Payments, including, but not limited to, Defendants'  
19 FICA and FUTA contributions, shall be paid separate and apart from the Gross Settlement  
20 Amount.

21 62. Circular 230 Disclaimer: Each Party to this Agreement (for purposes of this section,  
22 the "acknowledging party" and each Party to this Agreement other than the acknowledging party,  
23 an "other party") acknowledges and agrees that: (1) no provision of this Agreement, and no written  
24 communication or disclosure between or among the Parties or their attorneys and other advisers,  
25 is or was intended to be, nor shall any such communication or disclosure constitute or be construed  
26 or be relied upon as, tax advice within the meaning of United States Treasury Department circular  
27 230 (31 CFR part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon  
28 his, her or its own, independent legal and tax counsel for advice (including tax advice) in

1 connection with this Agreement, (b) has not entered into this Agreement based upon the  
2 recommendation of any other Party or any attorney or advisor to any other Party, and (c) is not  
3 entitled to rely upon any communication or disclosure by any attorney or advisor to any other party  
4 to avoid any tax penalty that may be imposed on the acknowledging party, and (3) no attorney or  
5 adviser to any other Party has imposed any limitation that protects the confidentiality of any such  
6 attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon  
7 disclosure by the acknowledging party of the tax treatment or tax structure of any transaction,  
8 including any transaction contemplated by this Agreement.

9       63. No Prior Assignments: The Parties and their counsel represent, covenant, and  
10 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to  
11 assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand,  
12 action, cause of action or right herein released and discharged.

13       64. Release by Participating Class Members: Upon the complete funding of the Gross  
14 Settlement Amount and all applicable employer-side payroll taxes by Defendants, Participating  
15 Class Members shall fully release and discharge the Released Parties from the Released Class  
16 Claims that arose during the Class Period. This release shall be binding on all Participating Class  
17 Members.

18       65. Release by the State of California and LWDA: Upon the complete funding of the  
19 Gross Settlement Amount and all applicable employer-side payroll taxes by Defendants, the  
20 LWDA and the State of California, through Plaintiff as its agent and/or proxy, shall release and  
21 discharge the Released Parties from the Released PAGA Claims that arose during the PAGA  
22 Period. The Parties intend for this PAGA settlement to have claim preclusion, issue preclusion, or  
23 otherwise bar a representative action if an aggrieved employee were to bring a subsequent claim  
24 on behalf of the LWDA based on the same factual predicate as this action and covering the same  
25 time period.

26       66. Release of Additional Claims & Rights by Plaintiff: Upon the funding of the Gross  
27 Settlement Amount, Plaintiff Marlon Ramon Guillen—on behalf of himself only—shall fully  
28 release Defendants from any and all claims relating to or arising out of his work performed for



1 Selma Pallet, Inc. or on an assignment at Selma Pallet, Inc. whether known or unknown. This  
2 release explicitly excludes any and all potential claims against Partners Personnel – Management  
3 Services, LLC, and Nexem Partners, LLC unrelated to work performed on an assignment at Max’s  
4 Artisan Breads, Inc., including but not limited to any and all claims alleged in *Guillen v. Max’s*  
5 *Artisan Breads, Inc.*, Fresno County Superior Court Case No. 21CECG02164. Specifically,  
6 Plaintiff Guillen, with respect to any and all claims relating to or arising out of his work performed  
7 for Selma Pallet, Inc. or on an assignment at Selma Pallet, Inc, waives all rights and benefits  
8 afforded by California Civil Code Section 1542, which provides:

9 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE  
10 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO  
11 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE  
12 RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE  
13 MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE  
14 DEBTOR OR RELEASED PARTY.

15 This release specifically excludes claims for unemployment insurance, disability, social  
16 security, and workers compensation (with the exception of claims arising pursuant to California  
17 Labor Code Sections 132(a) and 4553).

18 67. Neutral Employment Reference: Defendants agree that they will adopt a neutral  
19 reporting policy regarding any future employment references related to Plaintiff. In the event that  
20 any potential or future employers of Plaintiff request a reference regarding Defendants’  
21 employment of Plaintiff Marlon Ramon Guillen, Defendants shall only provide Plaintiff’s dates of  
22 employment, and job titles during employment, and final rate of pay. Defendants shall not refer to  
23 the Action or this Settlement.

24 68. Nullification of Settlement Agreement: In the event that: (a) the Court does not  
25 finally approve the Settlement as provided herein; (b) the Court strikes or does not approve any  
26 material term of this Settlement Agreement; or (c) the Settlement does not become final as written  
27 and agreed to by the Parties for any other reason, then this Settlement Agreement, and any  
28 documents generated to bring it into effect, will be null and void, all amounts deposited into the

1 QSF will be returned to Defendants, and the Parties shall be returned to their original respective  
2 positions. Any order or judgment entered by the Court in furtherance of this Settlement Agreement  
3 will likewise be treated as void from the beginning. Should the Court fail to approve this settlement  
4 for any reason, the Parties agree that they will return to and attend mediation with a mutually  
5 agreed Mediator in an effort to reach a settlement that may be approved by the Court.

6 69. Preliminary Approval Hearing: Plaintiff will obtain a hearing before the Court to  
7 request Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary  
8 Approval Order for: (a) conditional certification of the Settlement Class for settlement purposes  
9 only, (b) Preliminary Approval of the proposed Settlement Agreement, and (c) setting a date for a  
10 Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for the  
11 Notice to be sent to all Class Members as specified herein. In conjunction with the Preliminary  
12 Approval hearing, Plaintiff will submit this Agreement, which sets forth the terms of the  
13 Settlement, and will include the proposed Notice attached as Exhibit A. Defendants agree that they  
14 will not oppose Plaintiff's motion for Preliminary Approval and will provide declarations and other  
15 evidence necessary or requested by the Court in order to support the filing of Plaintiff's Motion  
16 for Preliminary Approval. Any failure by the Court to fully and completely approve the Agreement  
17 as to the Action will result in this Settlement Agreement and the Memorandum of Understanding  
18 entered into by the Parties, and all obligations under this Settlement Agreement and the  
19 Memorandum of Understanding being nullified and voided.

20 70. Final Settlement Approval Hearing and Entry of Judgment: Upon expiration of the  
21 deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with  
22 the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to  
23 determine the Final Approval of the Settlement Agreement along with the amounts properly  
24 payable for: (a) Individual Settlement Payments; (b) the Attorneys' Fees and Costs; (c) the Class  
25 Representative Enhancement Payment; (d) the Settlement Administration Costs; and (e) payment  
26 for the PAGA claims. Class Counsel will be responsible for drafting all documents necessary to  
27 obtain Final Approval. Any failure by the Court to fully and completely approve the Settlement  
28 Agreement as to all of the Action, or the entry of any Order by another Court with regard to any

1 of the Action which has the effect of modifying material terms of this Agreement or preventing  
2 the full and complete approval of the Settlement Agreement as written and agreed to by the Parties,  
3 will result in this Agreement and all obligations under this Agreement being null and void.  
4 Defendants agree they shall not oppose the granting of the Motion for Final Approval, provided  
5 Defendants have not exercised their right to withdraw pursuant to the terms of this Agreement.

6 71. Judgment and Continued Jurisdiction: Upon Final Approval of the Settlement by  
7 the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the  
8 Judgment to the Court for its approval. After entry of the Judgment, the Court will have continuing  
9 jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms  
10 of the Settlement, (b) Settlement administration matters, and (c) such post-Judgment matters as  
11 may be appropriate under court rules or as set forth in this Settlement.

12 72. Exhibits Incorporated by Reference: The terms of this Settlement include the terms  
13 set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth  
14 herein. Any Exhibits to this Settlement are an integral part of the Settlement.

15 73. Entire Agreement: This Settlement Agreement and any attached Exhibits constitute  
16 the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral  
17 agreements may be deemed binding on the Parties.

18 74. Amendment or Modification: This Settlement Agreement may be amended or  
19 modified only by a written instrument signed by counsel for all Parties or their successors-in-  
20 interest.

21 75. Authorization to Enter Into Settlement Agreement: Counsel for all Parties warrant  
22 and represent they are expressly authorized by the Parties whom they represent to negotiate this  
23 Settlement Agreement and to take all appropriate action required or permitted to be taken by such  
24 Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other  
25 documents required to effectuate the terms of this Settlement Agreement. The Parties and their  
26 counsel will cooperate with each other and use their best efforts to affect the implementation of  
27 the Settlement. If the Parties are unable to reach agreement on the form or content of any document  
28 needed to implement the Settlement, or on any supplemental provisions that may become

1 necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court  
2 to resolve such disagreement.

3 76. Binding on Successors and Assigns: This Settlement Agreement will be binding  
4 upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously  
5 defined.

6 77. California Law Governs: All terms of this Settlement Agreement and Exhibits  
7 hereto will be governed by and interpreted according to the laws of the State of California.

8 78. Execution and Counterparts: This Settlement Agreement is subject only to the  
9 execution of all Parties. However, the Settlement Agreement may be executed in one or more  
10 counterparts. All executed counterparts and each of them, including facsimile and scanned copies  
11 of the signature page, will be deemed to be one and the same instrument provided that counsel for  
12 the Parties will exchange among themselves original signed counterparts.

13 79. Acknowledgement that the Settlement is Fair and Reasonable: The Parties believe  
14 this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have  
15 arrived at this Settlement after arm's-length negotiations and in the context of adversarial  
16 litigation, taking into account all relevant factors, present and potential. The Parties further  
17 acknowledge that they are each represented by competent counsel and that they have had an  
18 opportunity to consult with their counsel regarding the fairness and reasonableness of this  
19 Settlement.

20 80. Invalidity of Any Provision: Before declaring any provision of this Agreement  
21 invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible  
22 consistent with applicable precedents so as to define all provisions of this Agreement valid and  
23 enforceable.

24 81. Waiver of Certain Appeals: The Parties agree to waive appeals and to stipulate to  
25 class certification for purposes of this Settlement only; except, however, that either party may  
26 appeal any court order that materially alters the Settlement Agreement's terms.

27 82. Class Action Certification for Settlement Purposes Only: The Parties agree to  
28 stipulate to class action certification only for purposes of the Settlement. If, for any reason, the

1 Settlement is not approved, the stipulation to certification will be void. The Parties further agree  
2 that certification for purposes of the Settlement is not an admission that class action certification  
3 is proper under the standards applied to contested certification motions and that this Agreement  
4 will not be admissible in this or any other proceeding as evidence that either: (a) a class action  
5 should be certified or (b) Defendants are liable to Plaintiff or any Class Member, other than  
6 according to the Settlement's terms.

7 83. Non-Admission of Liability: The Parties enter into this Agreement to resolve the  
8 dispute that has arisen between them and to avoid the burden, expense and risk of continued  
9 litigation. In entering into this Agreement, Defendants do not admit, and specifically deny, they  
10 have violated any federal, state, or local law; violated any regulations or guidelines promulgated  
11 pursuant to any statute or any other applicable laws, regulations or legal requirements; breached  
12 any contract; violated or breached any duty; engaged in any misrepresentation or deception; or  
13 engaged in any other unlawful conduct with respect to their employees. Neither this Agreement,  
14 nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed  
15 as an admission or concession by Defendants of any such violations or failures to comply with any  
16 applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this  
17 Agreement and its terms and provisions shall not be offered or received as evidence in any action  
18 or proceeding to establish any liability or admission on the part of Defendants or to establish the  
19 existence of any condition constituting a violation of, or a non-compliance with, federal, state,  
20 local or other applicable law.

21 84. Captions: The captions and section numbers in this Agreement are inserted for the  
22 reader's convenience, and in no way define, limit, construe or describe the scope or intent of the  
23 provisions of this Agreement.

24 85. Waiver: No waiver of any condition or covenant contained in this Settlement  
25 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered  
26 to imply or constitute a further waiver by such party of the same or any other condition, covenant,  
27 right or remedy.

28 86. Enforcement Action: In the event that one or more of the Parties institutes any legal

1 action or other proceeding against any other Party or Parties to enforce the provisions of this  
2 Settlement or to declare rights and/or obligations under this Settlement, the successful Party or  
3 Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees  
4 and costs, including expert witness fees incurred in connection with any enforcement actions.

5 87. Mutual Preparation: The Parties have had a full opportunity to negotiate the terms  
6 and conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly  
7 against one Party than another merely by virtue of the fact that it may have been prepared by  
8 counsel for one of the Parties, it being recognized that, because of the arms-length negotiations  
9 between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

10 88. Representation By Counsel: The Parties acknowledge that they have been  
11 represented by counsel throughout all negotiations that preceded the execution of this Agreement,  
12 and that this Agreement has been executed with the consent and advice of counsel and reviewed  
13 in full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the  
14 Agreement.

15 89. All Terms Subject to Final Court Approval: All amounts and procedures described  
16 in this Settlement Agreement herein will be subject to final Court approval.

17 90. Cooperation and Execution of Necessary Documents: The Parties agree to  
18 cooperate to promote participation in the Settlement, and in seeking court approval of the  
19 Settlement. The Parties and their counsel agree not to take any action to encourage any Class  
20 Members to opt out of and/or object to the Settlement. Defendants agree to provide declarations  
21 and evidence in support of the Plaintiff's Motion for Preliminary Approval as requested by  
22 Plaintiff and the Court. Defendants agree not to obtain any settlement agreement waivers or Pick  
23 Up Stix agreements from any Class Member prior to the funding of the Gross Settlement Amount  
24 concerning claims released via this Agreement during the Settlement approval process prior to the  
25 funding of the Gross Settlement Amount and that the Parties will work in good faith to reach an  
26 agreement approved by the Court. However, this does not prevent Defendants from entering into  
27 severance agreements (which contain releases of claims) with Class Members to resolve  
28 individually asserted claims.

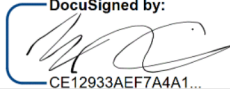
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91. Confidentiality/No Publicity: The Parties and their counsel agree to keep the terms of the Settlement confidential until the filing of Plaintiff’s Motion for Preliminary Approval. Except as necessary to secure court approval of the settlement and effectuate the terms of the settlement, the Parties and their counsel agree that they will not publicize or otherwise reference the settlement in marketing materials, communications with members of the general public, statements to the press/media, on websites, or in any other manner which would disclose the existence of the settlement to public. Nothing in this Settlement Agreement shall limit Defendants’ ability to fulfill disclosure obligations reasonably required by law or in furtherance of business purposes, including the fulfillment of obligations stated in this Settlement Agreement or limit Class Counsel’s communications with the Class Members in furtherance of approval of this Settlement.

92. Binding Agreement: The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any settlement confidentiality provisions that otherwise might apply under federal or state law.

DATED: 2/15/2023 \_\_\_\_\_

**PLAINTIFF**

By:  \_\_\_\_\_  
Marlon Ramon Guillen

DATED: \_\_\_\_\_

**DEFENDANT SELMA PALLET, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

1           91.    Confidentiality/No Publicity: The Parties and their counsel agree to keep the terms  
2 of the Settlement confidential until the filing of Plaintiff's Motion for Preliminary Approval.  
3 Except as necessary to secure court approval of the settlement and effectuate the terms of the  
4 settlement, the Parties and their counsel agree that they will not publicize or otherwise reference  
5 the settlement in marketing materials, communications with members of the general public,  
6 statements to the press/media, on websites, or in any other manner which would disclose the  
7 existence of the settlement to public. Nothing in this Settlement Agreement shall limit Defendants'  
8 ability to fulfill disclosure obligations reasonably required by law or in furtherance of business  
9 purposes, including the fulfillment of obligations stated in this Settlement Agreement or limit Class  
10 Counsel's communications with the Class Members in furtherance of approval of this Settlement.

11           92.    Binding Agreement: The Parties warrant that they understand and have full  
12 authority to enter into this Settlement, and further intend that this Settlement Agreement will be  
13 fully enforceable and binding on all Parties, and agree that it will be admissible and subject to  
14 disclosure in any proceeding to enforce its terms, notwithstanding any settlement confidentiality  
15 provisions that otherwise might apply under federal or state law.

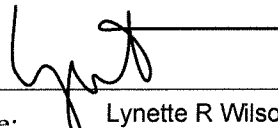
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17 DATED: \_\_\_\_\_

**PLAINTIFF**

18  
19 By: \_\_\_\_\_  
Marlon Ramon Guillen

20  
21 DATED: 4/18/2023

**DEFENDANT SELMA PALLET, INC.**

22  
23 By:  \_\_\_\_\_  
Name: Lynette R Wilson  
24 Title: \_\_\_\_\_  
25 Controller  
26  
27  
28



1 DATED: \_\_\_\_\_  
2

**DEFENDANT PARTNERS PERSONNEL  
MANAGEMENT SERVICES, LLC**

3 By: \_\_\_\_\_  
4

5 Name: \_\_\_\_\_  
6

7 Title: \_\_\_\_\_  
8

9 DATED: \_\_\_\_\_  
10

**DEFENDANT NEXEM PARTNERS, LLC**

11 By: \_\_\_\_\_  
12

13 Name: \_\_\_\_\_  
14

15 Title: \_\_\_\_\_  
16

17 **APPROVED AS TO FORM**  
18

**PROTECTION LAW GROUP LLP**

19 DATED: 2/16/2023  
20

  
\_\_\_\_\_

Heather M. Davis  
Amir Nayebdadash  
D. Luke Clapp  
*Attorneys for Plaintiff*  
Marlon Ramon Guillen

**WILD, CARTER, & TIPTON**

21 DATED: \_\_\_\_\_  
22

\_\_\_\_\_

Tracy A. Agrall  
Michael C. Titus  
*Attorneys for Defendant,*  
Selma Pallet, Inc.

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DATED: 2/8/2023

**DEFENDANT PARTNERS PERSONNEL  
MANAGEMENT SERVICES, LLC**

By: **Christian Moro**  
Digitally signed by Christian Moro  
DN: cn=Christian Moro, o=US  
ou=Partners Personnel  
Management Services, LLC  
email=christian.moro@partnerspers  
onnel.com  
Date: 2023.02.08 11:02:22 -0800

Name: Christian Moro

Title: Counsel

DATED: 2/8/2023

**DEFENDANT NEXEM PARTNERS, LLC**

By: 

Name: Scott Houston

Title: CEO

**APPROVED AS TO FORM**


**PROTECTION LAW GROUP LLP**

DATED: \_\_\_\_\_

\_\_\_\_\_  
Heather M. Davis  
Amir Nayebdadash  
D. Luke Clapp  
*Attorneys for Plaintiff*  
Marlon Ramon Guillen

**WILD, CARTER, & TIPTON**

DATED: 4/18/2023

  
\_\_\_\_\_  
Tracy A. Agrall  
Michael C. Titus  
*Attorneys for Defendant,*  
Selma Pallet, Inc.

**MEDINA McKELVEY, LLP**



DATED: 2/20/2023

Brandon R. McKelvey  
Timothy B. Nelson  
Kyle Owen  
*Attorneys for Defendants*  
Partners Personnel—Management Services, LLC  
and Nexem Partners, LLC

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# **Exhibit A**

## **NOTICE OF PROPOSED CLASS ACTION SETTLEMENT**

*Marlon Ramon Guillen v. Selma Pallet, Inc. et al*

Fresno County Superior Court, Case No. 21CECG02941 (Class Action)

Fresno County Superior Court, Case No. 21CECG03614 (PAGA Action)

**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 Defendants Selma Pallet, Inc., or Partners Personnel - Management Services, LLC, and Nexem Partners, LLC who worked on an assignment at Selma Pallet, Inc., in the state of California, at any time from October 1, 2017, through October 2, 2022.**

### **BASIC INFORMATION**

#### **1. What is this settlement about?**

A Class Action lawsuit was commenced by Marlon Ramon Guillen (“Plaintiff”) a former employee of Selma Pallet, Inc., Partners Personnel - Management Services, LLC, and Nexem Partners, LLC (“Defendants”) on October 1, 2021. The case is currently pending in the Fresno County Superior Court, Case No. 21CECG02941. A PAGA Action alleging violation of the California Private Attorneys General Act (“PAGA”) was also commenced by Plaintiff against Defendants on December 8, 2021, and is also currently pending in the Fresno County Superior Court, Case No. 21CECG03614. The cases have been consolidated under Case No. 21CECG02941.

The lawsuits claim 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. The lawsuits claim 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 any of the cases.

#### **2. Why is this a class action?**

In a class action, one or more people called the Class Representative (in this case Marlon Ramon Guillen, also known as “Plaintiff”), sues 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. The 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 [DATE OF PRELIMINARY APPROVAL] 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,

LLP as counsel for the Class (“Class Counsel”). The Court has not made a final ruling on whether the settlement is fair, adequate, and reasonable. Instead, the Court has found that the settlement is within the range of reasonableness that could be approved. A Final Determination on whether to approve the settlement will be made at the hearing on [REDACTED]. 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 as a non-exempt, hourly employee by Selma Pallet Inc., or were employed as a non-exempt, hourly employee by Partners Personnel—Management Services, LLC or Nexem Partners, LLC and worked on an assignment at Selma Pallet, Inc., in the state of California, at any time between October 1, 2017, and October 2, 2022.

## THE SETTLEMENT BENEFITS—WHAT YOU GET

### 5. What does the settlement provide?

The Settlement provides that Defendants will pay a maximum of Four Hundred Fifty Thousand Dollars (\$450,000.00). 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 one-third (1/3) of the Gross Settlement Amount, i.e. One Hundred Fifty Thousand Dollars (\$150,000.00);
- B. **Litigation Costs/Expenses to Class Counsel** not to exceed Twenty Thousand Dollars (\$20,000.00);
- C. **Plaintiff’s Incentive Payment to the Class Representative** in an amount not to exceed Seven Thousand Five Hundred Dollars (\$7,500.00);
- D. **Settlement Administrator’s Fees and Expenses** which are currently estimated to be Nine Thousand Dollars (\$9,000.00); and
- E. **PAGA Payment** in the amount of Fifty Thousand Dollars (\$50,000.00) of the Gross Settlement Amount for the settlement of claims arising under the Private Attorneys General Act of 2004 (PAGA). Seventy-Five percent (75%) of this amount, (\$37,500.00) shall be paid to the LWDA. The remaining twenty-five percent (25%) (\$12,250.00) will be distributed to hourly-paid, non-exempt employees who worked for Defendants from October 1, 2020 to October 2, 2022, 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 you worked in California as an hourly-paid, non-exempt employee of Defendants from October 1, 2017, until October 2, 2022 (“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 allocated as follows: 20% allocation on W-2 for wages; 40% allocation as interest on an IRS Form 1099, and 40% allocation for penalties on an IRS Form 1099. 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 XXX workweeks during the Class Period. The Class Portion of your Individual Settlement Payment is \$XXX.XX. 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 XXX Workweeks during the PAGA Period. In addition to the Class Portion of your Individual Settlement Payment, you will receive approximately \$XXX.XX as part of the settlement of claims arising under the Private Attorneys General Act.**

This Amount was determined based on Defendants' record of your employment between October 1, 2017, and October 2, 2022, and is presumed correct. If you dispute the accuracy of Defendants' records as to the number of weeks that you worked during the Class Period, you must contact the Settlement Administrator and provide any documentation you have supporting such dispute by [DATE]. All disputes regarding your workweeks 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:

[Settlement Administrator]  
[Address]  
[Telephone No].  
[Fax No. ]

## 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 Selma Pallet, Inc., Partners Personnel – Management Services, LLC and Nexem Partners, LLC as named by Plaintiff in the operative Class Action complaint and in the operative PAGA Action complaint, and 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 reasonably could have been alleged, based on the facts alleged in the operative complaint in the Class Action, including factual claims regarding Defendants' alleged: (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.

The "Class Period" during which the release of Released Class Claims pertains is from **October 1, 2017, to October 2, 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 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 *“Marlon Ramon Guillen v. Selma Pallet, Inc. et al.”* I understand that by excluding myself I will not receive money from the class portion of the settlement.”

The written Request for Exclusion must be mailed to the Settlement Administrator at the address listed below, post-marked by [DATE]. You cannot exclude yourself by phone.

[Settlement Administrator]  
[Address]

If you ask to be excluded, you will not receive payment of any portion of the Net Settlement Amount 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, you should speak to your lawyer in that lawsuit.

### 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 the Released Parties for the 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.  
Luke Clapp, Esq.  
237 California St  
El Segundo, California 90245  
Telephone: (424) 290-3095

Class Counsel will ask the Court for attorneys' fees of up to \$150,000 and reimbursement of litigation cost/expenses of up to \$20,000. 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 [DATE]. 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 [DATE] and make an objection at that time, regardless of whether you submitted a written objection.

### **13. What is the difference between objecting and requesting exclusion?**

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 FINAL 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 [ ] a.m./p.m. on [ ], 2023, at the Fresno County Superior Court—B.F. Sisk Courthouse, located at Dept. 503, 1130 O Street Fresno, CA 93721-2220.

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. You may attend in person. If you wish to attend remotely, please contact the Fresno County Superior Court directly for information on how to schedule remote appearances.

### **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 [www.██████████.com](http://www.██████████.com)

## **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 [www.██████████.com](http://www.██████████.com) 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**