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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN LUIS OBISPO**

Coordination Proceeding Special Title
(Rule 3.550)

**WINESHIPPING WAGE AND HOUR
CASES**

Included actions:

Diaz Flores v. Wineshipping.com, LLC, et al.
Wentz v. Wineshipping.com, LLC, et al.
Wentz v. Wineshipping.com, LLC, et al.

**ELECTRONICALLY
FILED
9/4/2026 6:19 PM**

SAN LUIS OBISPO SUPERIOR COURT
BY 
Julie Vierra, Deputy Clerk

JUDICIAL COUNCIL COORDINATION
PROCEEDING NO. 5392

SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN LUIS OBISPO NO.
23CVP-0321

SUPERIOR COURT OF CALIFORNIA
COUNTY OF SOLANO NO. CU24-00354

SUPERIOR COURT OF CALIFORNIA
COUNTY OF SOLANO NO. CU24-02101

**NOTICE OF MOTION AND MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT;
MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT THEREOF**

Date: 3-16-2027

Time: 9 AM

Dept.: P2

MOVING PARTY TO PROVIDE
NOTICE OF THE DATE AND
TIME OF HEARING.

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1 **TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:**

2 **PLEASE TAKE NOTICE THAT** on 3-16-2027 at 9:00 ~~a.m.~~p.m. in Department
3 P2 of the above-captioned Court located at 901 Park Street, Paso Robles, California 93446, pursuant to
4 California Code of Civil Procedure section 382 and Rule 3.769 of the California Rules of Court, Plaintiffs
5 Amanda Wentz and Josefina Diaz Flores (together, “Plaintiffs”) will and hereby do move the Court for
6 an Order granting preliminary approval of the proposed class action and PAGA settlement between
7 Plaintiffs and Defendants Wineshipping.com LLC and DTC Logistics LLC (together, “Defendants”).

8 Plaintiffs request that the Court enter an Order:

9 1. Preliminarily approving the Joint Stipulation of Class Action and PAGA Settlement
10 (“Settlement” or “Settlement Agreement”) attached as Exhibit 5 to the Declaration of Alexandra Rose in
11 Support of Plaintiffs’ Motion for Preliminary Approval of Class Action and PAGA Settlement (“Rose
12 Decl.”);

13 2. Certifying the Class for Settlement purposes;

14 3. Appointing Plaintiffs Amanda Wentz and Josefina Diaz Flores as the Class
15 Representatives for Settlement purposes;

16 4. Appointing Jonathan M. Genish, Karen I. Gold, Noam Y. Reiffman, Marissa A. Mayhood,
17 and Alexandra Rose of Blackstone Law, APC and Stan S. Mallison, Hector R. Martinez, and Cody A.
18 Bolce of Mallison & Martinez as Class Counsel for Settlement purposes;

19 5. Approving the proposed Notice of Class Action Settlement (“Class Notice”), attached as
20 Exhibit A to the Settlement Agreement, to be mailed to the Class;

21 6. Approving the opt-out and objection procedures provided in the Settlement Agreement
22 and set forth in the Class Notice;

23 7. For each Class Member, directing Defendants to furnish their full name, last known
24 mailing address, Social Security number, dates worked for Defendant Wineshipping.com LLC during the
25 Class Period, and total Workweeks and Pay Periods to the Settlement Administrator within twenty-one
26 (21) calendar days after entry of the order granting preliminary approval of the Settlement;

27 8. Approving the proposed deadlines for the settlement administration process; and

28 9. Setting a Final Approval Hearing.

1 Pursuant to California Labor Code section 2699(s)(2), on September 4, 2026, a copy of the
2 Settlement was submitted to the California Labor and Workforce Development Agency (“LWDA”) via
3 online submission through the LWDA’s website. (Rose Decl., ¶ 61 and Exh. 6).

4 This Motion is based upon this Notice, the attached Memorandum of Points and Authorities, the
5 Declaration of Alexandra Rose, the Declaration of Stan S. Mallison, the Declaration of Plaintiff Amanda
6 Wentz, the Declaration of Plaintiff Josefina Diaz Flores, the Declaration of the Settlement Administrator
7 (Jodey Lawrence of Phoenix Settlement Administrators), the pleadings and other records on file with the
8 Court in this matter, and any other further evidence or argument that the Court may properly receive at
9 or before the hearing.

10 Respectfully submitted,

11 Dated: September 4, 2026

BLACKSTONE LAW, APC

12 By: Alexandra Rose
13 Alexandra Rose
14 Attorneys for Plaintiff Amanda Wentz

15 Dated: September 4, 2026

MALLISON & MARTINEZ

16 By: /s/ Cody A. Bolce
17 Stan S. Mallison
18 Hector R. Martinez
19 Cody A. Bolce
20 Attorneys for Plaintiff Josefina Diaz Flores

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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Plaintiffs Plaintiffs Amanda Wentz (“Plaintiff Wentz”) and Josefina Diaz Flores (“Plaintiff
4 Flores”) (together, “Plaintiffs”) seek preliminary approval of the Joint Stipulation of Class Action and
5 PAGA Settlement (“Settlement” or “Settlement Agreement”) entered into between Plaintiffs and
6 Defendants Wineshipping.com LLC and DTC Logistics LLC (together, “Defendants”) (collectively, with
7 Plaintiffs, the “Parties”). (Declaration of Alexandra Rose in Support of Plaintiffs’ Motion for Preliminary
8 Approval of Class Action and PAGA Settlement [“Rose Decl.”], Exh. 5). The Settlement terms are
9 outlined as follows:

- 10 • Class Size: Approximately five hundred and seventy-five (575) individuals.
- 11 • Gross Settlement Amount: Two Million Two Hundred Fifty Thousand Dollars and Zero
12 Cents (\$2,250,000.00).
- 13 • Attorneys’ Fees and Costs: Attorneys’ fees of thirty-five percent (35%) of the Gross
14 Settlement Amount (\$787,500.00 if the Gross Settlement Amount is \$2,250,000.00) plus
15 actual litigation costs and expenses not to exceed Seventy-Five Thousand Dollars and Zero
16 Cents (\$75,000.00), to be paid from the Gross Settlement Amount.
- 17 • Enhancement Payments: Ten Thousand Dollars and Zero Cents (\$10,000.00) each (total,
18 \$20,000.00), to be paid from the Gross Settlement Amount.
- 19 • Settlement Administration Costs: Not to exceed Ten Thousand Nine Hundred Fifty Dollars
20 and Zero Cents (\$10,950.00), to be paid from the Gross Settlement Amount.
- 21 • PAGA Amount: One Hundred Thousand Dollars and Zero Cents (\$100,000.00) from the
22 Gross Settlement Amount, 75% of which will be paid to the Labor and Workforce
23 Development Agency (“LWDA”) and the remaining 25% to be paid to the PAGA
24 Employees.
- 25 • Estimated Net Settlement Amount: One Million Two Hundred Fifty-Six Thousand Five
26 Hundred Fifty Dollars and Zero Cents (\$1,256,550.00) to be distributed to Settlement Class
27 Members.

27 ///

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1 As set forth herein, the Settlement is the product of informed discovery and arms-length
2 negotiations, and provides a fair, adequate, and reasonable recovery for the Class. Plaintiffs therefore
3 respectfully request that the Court grant preliminary approval of the Settlement, conditionally certify the
4 Class, approve the proposed Notice of Class Action Settlement (“Class Notice”), and set a hearing date
5 for final settlement approval, among other requested relief.

6 II. FACTUAL AND PROCEDURAL BACKGROUND

7 Defendants are in the business of transporting wine. Plaintiff Wentz was employed by Defendant
8 Wineshipping.com LLC as an hourly-paid, non-exempt employee in the positions of Line Lead, Certified
9 Forklift Driver, and Box Maker from approximately January 2022 to approximately December 2023.
10 (Declaration of Plaintiff Amanda Wentz in Support of Motion for Preliminary Approval of Class Action
11 and PAGA Settlement [“Wentz Decl.”], ¶ 2). Plaintiff Flores was employed by Defendants as an hourly-
12 paid, non-exempt employee from approximately July 2019 to approximately June 2022. (Declaration of
13 Plaintiff Josefina Flores Diaz in Support of Plaintiffs’ Motion for Preliminary Approval of Class Action
14 and PAGA Settlement [“Flores Decl.”], ¶ 3).

15 On July 3, 2023, Plaintiff Flores provided written notice to the LWDA by online submission and
16 to Defendants by U.S. Certified Mail, pursuant to California Labor Code Section 2699.3, of the specified
17 provisions of the California Labor Code alleged to have been violated by Defendants (“Flores PAGA
18 Letter”). (Rose Decl., ¶ 9 and Exh. 2).

19 On September 29, 2023, Plaintiff Flores filed a Class Action and PAGA Complaint in the action
20 entitled *Josefina Diaz Flores v. Wineshipping.com, LLC, et al.*, San Luis Obispo Superior Court Case
21 Number 23CVP-0321 (“Flores Action”), thereby commencing a putative class and Private Attorneys
22 General Act of 2004 pursuant to California Labor Code Section 2698 *et seq.* (“PAGA”) action against
23 Defendants. (*Id.*, ¶ 10).

24 On January 12, 2024, Plaintiff Wentz provided written notice to the LWDA by online submission
25 and to Defendants by U.S. Certified Mail, pursuant to California Labor Code Section 2699.3, of the
26 specific provisions of the California Labor Code alleged to have been violated by Defendants (“Wentz
27 PAGA Letter”). (*Id.*, ¶ 11 and Exh. 3).

28 ///

1 On January 16, 2024, Plaintiff Wentz filed a Class Action Complaint in the action entitled
2 *Amanda Wentz v. Wineshipping.com LLC dba Wineshipping Com LLC and Wineshipping, LLC, et al.*,
3 Solano County Superior Court Case No. CU24-00354 (“Wentz Class Action”), thereby commencing a
4 putative class action against Defendants. (*Id.*, ¶ 12).

5 On January 19, 2024, Plaintiff Flores propounded written formal discovery onto Defendants
6 (specifically, Form Interrogatories – General (Set One), Form Interrogatories – Employment Law (Set
7 One), Special Interrogatories (Set One), and Requests for Production of Documents (Set One)) in the
8 Diaz Action. (*Id.*, ¶ 13).

9 On February 29, 2024, Plaintiff Wentz filed a First Amended Class Action Complaint (“Wentz
10 Class Operative Complaint”) in the Wentz Class Action. (*Id.*, ¶ 14).

11 On March 6, 2024, Plaintiff Wentz provided an amended written notice to the LWDA and
12 Defendants providing clarification that her claims included a claim for improper Alternative Workweek
13 Schedules (“Wentz Amended PAGA Letter”) (collectively, the Flores PAGA Letter, Wentz PAGA
14 Letter, and Wentz Amended PAGA Letter are referred to as the “PAGA Letters”). (*Id.*, ¶ 15 and Exh.
15 4).

16 On March 19, 2024, Plaintiff Wentz filed a Complaint for Enforcement Action Under the Private
17 Attorneys General Act, Cal. Labor Code §§ 2698 *Et Seq.* (“Wentz PAGA Operative Complaint”) in the
18 action entitled *Amanda Wentz v. Wineshipping.com LLC dba Wineshipping Com LLC and Wineshipping,*
19 *LLC, et al.*, Solano County Superior Court Case No. CU24-02101 (“Wentz PAGA Action”), thereby
20 commencing a PAGA action against Defendant Wineshipping.com LLC. (*Id.*, ¶ 16).

21 On April 8, 2024, pursuant to the request of Plaintiff Wentz, Defendant DTC Logistics Inc. dba
22 DTC Logistics was dismissed without prejudice from the Wentz Class Action. (*Id.*, ¶ 17).

23 On April 9, 2024, Plaintiff Diaz propounded additional written formal discovery onto Defendant
24 Wineshipping.com LLC (specifically, Special Interrogatories (Set Two) and Requests for Production of
25 Documents (Set Two) in the Diaz Action. (*Id.*, ¶ 18).

26 On April 25, 2024, Defendant Wineshipping.com LLC filed a Motion to Compel Arbitration and
27 Dismiss the Class-Wide Claims (“Motion to Compel Arbitration”) and supporting documents in the
28 Wentz Class Action. (*Id.*, ¶ 19).

1 On April 29, 2024, Defendant Wineshipping.com LLC served responses to Plaintiff Diaz’s
2 written formal discovery requests (specifically, Form Interrogatories – General (Set One), Form
3 Interrogatories – Employment Law (Set One), Special Interrogatories (Set One), and Requests for
4 Production of Documents (Set One) in the Diaz Action. On May 9, 2024, Defendant Wineshipping.com
5 LLC served responses to Plaintiff Diaz’s additional written formal discovery requests (specifically,
6 Special Interrogatories (Set Two) and Requests for Production of Documents (Set Two) in the Diaz
7 Action. (*Id.*, ¶ 20).

8 On May 13, 2024, Plaintiff Flores filed a First Amended Class Action and PAGA Complaint
9 (“Flores Operative Complaint”) in the Flores Action. (*Id.*, ¶ 21).

10 On June 17, 2024, Plaintiff Diaz propounded additional written formal discovery onto Defendant
11 Wineshipping.com LLC (specifically, Special Interrogatories (Set Three) and Requests for Production of
12 Documents (Set Three) in the Diaz Action. (*Id.*, ¶ 22).

13 On June 18, 2024, Plaintiff Wentz filed an Opposition to the Motion to Compel Arbitration and
14 supporting documents in the Wentz Class Action. (*Id.*, ¶ 23). On June 25, 2024, Defendant
15 Wineshipping.com LLC filed a Reply to Plaintiff Wentz’s Opposition to Defendants’ Motion to Compel
16 Arbitration and supporting documents in the Wentz Class Action. (*Ibid.*). On July 2, 2024, the Court
17 held a hearing on the Motion to Compel Arbitration in the Wentz Class Action in which the Court denied
18 the Motion to Compel Arbitration. (*Ibid.*).

19 On July 17, 2024, Defendant Wineshipping.com LLC served responses to Plaintiff Diaz’s
20 additional written formal discovery requests (specifically, Special Interrogatories (Set Three) and
21 Requests for Production of Documents (Set Three) in the Diaz Action. (*Id.*, ¶ 24).

22 On May 21, 2025, the Parties participated in a formal mediation conducted by Hon. Ronald M.
23 Sabraw, which did not result in a settlement at that time. (*Id.*, ¶ 25).

24 On June 11, 2025, Defendants filed a petition to coordinate the Wentz Class Action, Wentz PAGA
25 Action, and Flores Action. (*Id.*, ¶ 26). Following briefing and a hearing, an order was issued granting
26 the petition. (*Ibid.*). The coordination actions were assigned to the Honorable Michael C. Kelley in San
27 Luis Obispo Superior Court, and are proceeding as *Wineshipping Wage and Hour Cases*, Judicial Council
28 Coordination Proceeding No. 5392 (“Action”). (*Ibid.*). The Wentz Class Operative Complaint, Wentz

1 PAGA Operative Complaint, and Flores Operative Complaint (collectively, “Operative Complaints”)
2 allege causes of action for violations of the California Labor Code for failure to pay contractual wages,
3 failure to pay minimum wages, failure to pay overtime wages, failure to provide compliant meal periods
4 and premium payments in lieu thereof, failure to provide compliant rest periods and premium payments
5 in lieu thereof, failure to timely pay wages during employment, failure to provide compliant wage
6 statements, failure to maintain complete and accurate payroll records, failure to timely pay wages upon
7 termination, and failure to reimburse necessary business expenses, for violations of California Business
8 & Professions Code Section 17200, *et seq.* based on the aforementioned California Labor Code
9 violations, and for civil penalties under PAGA based on the aforementioned California Labor Code
10 violations. (Ibid).

11 On November 26, 2025, the Parties participated in a second mediation with Eve Wagner, Esq.
12 (“Mediator”), a neutral and respected mediator with extensive experience in complex wage and hour
13 matters, and with the assistance of the Mediator’s evaluations, the Parties were able to reach an agreement
14 to resolve this dispute on a class and representative basis. (*Id.*, ¶ 27). The Parties then worked diligently
15 to negotiate and memorialize the terms in a long form settlement agreement. (Ibid).

16 On August 17, 2026, the Parties executed the Settlement Agreement. (*Id.*, ¶ 28 and Exh. 5).

17 **III. THE SETTLEMENT TERMS**

18 **A. Class Definition**

19 For purposes of settlement only, the Parties have agreed that the Class shall be defined as “all
20 current and former hourly-paid and/or non-exempt employees who worked for Defendant
21 Wineshipping.com LLC in the State of California at any time during the Class Period” (“Class” or Class
22 Member(s)). (Rose Decl., ¶ 29; Settlement Agreement, ¶ 15.b). The Class Period is defined as the
23 period from November 20, 2021 through February 12, 2026. (Rose Decl., ¶ 29; Settlement Agreement,
24 ¶ 15.f). Based on information provided by Defendant Wineshipping.com LLC, it is estimated that there
25 are a total of approximately five hundred and seventy-five (575) Class Members. (Rose Decl., ¶ 29).

26 **B. Amount of Settlement**

27 The Parties have agreed to settle the class and PAGA claims at issue in the Operative Complaints
28 for a non-reversionary Gross Settlement Amount of Two Million Two Hundred Fifty Thousand Dollars

1 and Zero Cents (\$2,250,000.00), exclusive of employer-side payroll taxes. (Rose Decl., ¶ 30; Settlement
2 Agreement, ¶ 15.q).

3 **C. Allocation and Funding of the Gross Settlement Amount**

4 The Gross Settlement Amount is a common fund and therefore includes all requested costs, fees,
5 and other allocations. (Rose Decl., ¶ 30; Settlement Agreement, ¶ 15.q). The Gross Settlement Amount
6 includes: (1) Class Counsel’s fees in the amount of thirty-five percent (35%) of the Gross Settlement
7 Amount (i.e., \$787,500.00 if the Gross Settlement Amount is \$2,250,000.00); (2) Class Counsel’s actual
8 litigation costs and expenses, not to exceed Seventy-Five Thousand Dollars and Zero Cents (\$75,000.00);
9 (3) Settlement Administration Costs, not to exceed Ten Thousand Nine Hundred Fifty Dollars and Zero
10 Cents (\$10,950.00); (4) Enhancement Payments in the aggregate amount of Twenty Thousand Dollars
11 and Zero Cents (\$20,000.00); and (5) PAGA Amount in the amount of One Hundred Thousand Dollars
12 and Zero Cents (\$100,000.00). (Rose Decl., ¶ 30; Settlement Agreement, ¶¶ 15.q, 18, 19, 20, and 21).
13 After the above-estimated amounts are deducted from the Gross Settlement Amount, the Net Settlement
14 Amount that will be available for Class Members is currently estimated to be One Million Two Hundred
15 Fifty-Six Thousand Five Hundred Fifty Dollars and Zero Cents (\$1,256,550.00). (Rose Decl., ¶ 30).
16 Additionally, 25% of the PAGA Amount (“PAGA Employee Amount”), which is \$25,000.00 out of
17 \$100,000.00, will be fully distributed to “all current and former hourly-paid and/or non-exempt
18 employees who worked for Defendant Wineshipping.com LLC in the State of California at any time
19 during the PAGA Period” (“PAGA Employee(s)”). (Rose Decl., ¶ 30; Settlement Agreement, ¶¶ 15.q,
20 15.y, 15.z, and 20). The “PAGA Period” is defined as the period from July 3, 2022 through February 12,
21 2026. (Rose Decl., ¶ 30; Settlement Agreement, ¶ 15.aa).

22 The Net Settlement Amount will be distributed and paid to all Class Members who do not submit
23 a timely and valid Request for Exclusion (“Settlement Class Member(s)”) on a *pro rata* basis based on
24 the number of weeks each Class Member worked for Defendant Wineshipping.com LLC as an hourly-
25 paid and/or non-exempt employee in California during the Class Period (“Workweeks”). (Rose Decl., ¶
26 30; Settlement Agreement, ¶¶ 15.mm and 15.nn). The *pro rata* share of the Net Settlement Amount that
27 a Class Member may be eligible to receive under the Class Settlement (“Individual Settlement Share”)
28 will be calculated by the Settlement Administrator, in accordance with the Settlement Agreement. (Rose

Decl., ¶ 31; Settlement Agreement, ¶¶ 15.t and 23).

The PAGA Employee Amount will be distributed and paid to all PAGA Employees on a *pro rata* basis based on the number of pay periods each PAGA Employee worked for Defendant Wineshipping.com LLC as an hourly-paid and/or non-exempt employee in California during the PAGA Period (“Pay Periods”). (Rose Decl., ¶ 32; Settlement Agreement, ¶¶ 15.cc and 20). The *pro rata* share of the PAGA Employee Amount that a PAGA Employee may be eligible to receive under the PAGA Settlement (“Individual PAGA Payment”) will be calculated by the Settlement Administrator, in accordance with the Settlement Agreement. (Rose Decl., ¶ 32; Settlement Agreement, ¶¶ 15.r and 24).

Each Individual Settlement Share will be allocated as twenty percent (20%) wages and eighty percent (80%) penalties, interest, and non-wage damages. (Rose Decl., ¶ 33; Settlement Agreement, ¶ 25). The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. (Rose Decl., ¶ 33; Settlement Agreement, ¶ 25). The Settlement Administrator will withhold the employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their net payment of their Individual Settlement Share (“Individual Settlement Payment”). (Rose Decl., ¶ 33; Settlement Agreement, ¶¶ 15.s and 25). The employer’s share of taxes and contributions in connection with the wages portion of Individual Settlement Shares will be paid by Defendants separately and in addition to the Gross Settlement Amount. (Rose Decl., ¶ 33; Settlement Agreement, ¶¶ 15.q and 25). Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. (Rose Decl., ¶ 33; Settlement Agreement, ¶ 25).

The Settlement Agreement is a non-reversionary and non-claims made settlement. (Rose Decl., ¶ 34; Settlement Agreement, ¶¶ 15.q and 43). The Net Settlement Amount will be fully distributed to Settlement Class Members and the PAGA Amount will be fully distributed to the LWDA and PAGA Employees, in accordance with the Settlement Agreement. (Rose Decl., ¶ 34; Settlement Agreement, ¶¶ 23 and 24). No money will revert to Defendants. (Rose Decl., ¶ 23; Settlement Agreement, ¶ 15.q).

///

Each Individual Settlement Payment and Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180) calendar days from the date the checks are issued, and thereafter, shall be canceled. (Rose Decl., ¶ 35; Settlement Agreement, ¶ 43). Any funds associated with such canceled checks will be distributed by the Settlement Administrator to the State of California's Unclaimed Property Division in the name of the Settlement Class Member and/or PAGA Employee. (Rose Decl., ¶ 35; Settlement Agreement, ¶ 43).

D. Released Claims

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims. (Settlement Agreement, ¶ 44).

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs, the State of California with respect to all PAGA Employees, and all PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims. (*Id.*, ¶ 45).

"Released Class Claims" means any and all class claims which were alleged or which could have been reasonably alleged based on the factual allegations in the Operative Complaints, arising during the Class Period, which shall specifically include claims for Defendants' alleged failure to pay contractual wages, pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide accurate wage statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses in violation of California Labor Code Sections 200, 201, 202, 203, 204, 210, 218.5, 223, 226(a), 226.7, 510, 512(a), 1174, 1194, 1194.2, 1197, 1197.1, 1198, 2018.5, 2800, and 2802, the applicable Industrial Welfare Commission Wage Order, and California Business and Professions Code sections 17200, *et seq.* (*Id.*, ¶ 15. ff).

"Released PAGA Claims" means any and all claims arising from any of the factual allegations in the PAGA Letters and the Operative Complaints, arising during the PAGA Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections 2698 *et seq.*, which

1 shall specifically include claims for Defendants’ alleged failure to pay contractual wages, pay overtime
2 and minimum wages, provide compliant meal and rest periods and associated premium payments, timely
3 pay wages during employment and upon termination, provide compliant wage statements, maintain
4 complete and accurate payroll records, and reimburse necessary business-related expenses in violation of
5 California Labor Code Sections 200, 201, 202, 203, 204, 210, 218.5, 223, 226(a), 226.7, 510, 512(a),
6 1174, 1194, 1194.2, 1197, 1197.1, 1198, 2018.5, 2800, and 2802, and the applicable Industrial Welfare
7 Commission Wage Order. (*Id.*, ¶ 15.gg).

8 “Released Parties” means Defendants and their current and former agents, owners, officers,
9 employees who are not Class Members, directors, members, insurers, shareholders, subsidiaries,
10 affiliates, predecessors, successors, and assigns, and any other person or entity who could be deemed to
11 be a joint employer. (*Id.*, ¶ 15.hh).

12 **IV. STANDARD OF REVIEW FOR PRELIMINARY APPROVAL**

13 The settlement of a class action requires court approval. (*See Dunk v. Ford Motor Co.*, 48 Cal.
14 App. 4th 1794 (1996)). “In general, questions whether a settlement was fair and reasonable, whether
15 notice to the class was adequate, whether certification of the class was proper, and whether the attorney
16 fee award was proper are matters addressed to the trial court’s broad discretion.” (*Wershba v. Apple*
17 *Computer, Inc.*, 91 Cal.App.4th 224, 234-35 (2001) (disapproved on other grounds)).

18 The review and approval of a proposed class action settlement involves a two-step process. (*See*
19 *Cal. Rules of Court, Rule 3.769(c)*). First, counsel submit the proposed terms of the settlement and the
20 Court makes a preliminary assessment of whether the settlement appears to be sufficiently within the
21 range of a fair settlement to justify providing notice of the proposed settlement to class members. After
22 notice is provided to the class, the Court must conduct a second inquiry into whether the proposed
23 settlement is fair, reasonable, and adequate. (*Ibid*).

24 The initial evaluation of the settlement at the preliminary approval step “is not a fairness hearing.”
25 (*Armstrong v. Board of School Directors of City of Milwaukee*, 616 F.2d 305, 314 (7th Cir. 1980)).
26 Rather, the limited purpose of this initial inquiry is to determine, at a threshold level, only whether the
27 proposed settlement is within the range of possible approval and, as a result, “whether there is any reason
28 to notify the class members of the proposed settlement and to proceed with a fairness hearing.” A

1 presumption of fairness exists where: (1) the settlement is reached through arm's length bargaining; (2)
2 investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel
3 is experienced in similar litigation; and (4) the percentage of objectors is small. (*See In re Microsoft I-V*
4 *Cases*, 135 Cal. App. 4th 706, 723 (2006)).

5 Preliminary approval does not require a court to make a final determination that the settlement is
6 fair, reasonable, and adequate. Rather, that decision is made only at the final approval stage, after notice
7 of the settlement has been given to the class members and they have had an opportunity to object or
8 exclude themselves from the settlement. (*See* Cal. Rules of Court, Rule 3.769(g)). In considering a
9 potential class settlement, the court need not reach any ultimate conclusions on the issues of fact and law
10 which underlie the merits of the dispute and need not engage in a trial on the merits. (*See Officers for*
11 *Justice v. Civil Service Commission*, 688 F.2d 615, 625 (9th Cir. 1982)).

12 **V. THE SETTLEMENT IS PRESUMED FAIR**

13 **A. The Settlement Was Reached as a Result of Arm's-Length Bargaining**

14 California courts recognize that "a presumption of fairness exists where . . . [a] settlement is
15 reached through arm's-length bargaining." (*Wershba*, 91 Cal.App.4th at 245; *see also Clark v. Am.*
16 *Residential Servs. LLC*, 175 Cal.App.4th 785, 799 (2009)). Here, the Parties' settlement negotiations
17 were at all times made at arm's-length and were adversarial. (Rose Decl., ¶ 36). The Settlement was
18 reached following a second full day of mediation with a highly respected mediator with substantial
19 experience mediating wage and hour cases. (*Ibid*).

20 **B. Sufficient Investigation and Discovery by Experienced Class Counsel**

21 Courts typically assess the status of discovery in determining whether a class action settlement
22 agreement is fair, reasonable, and adequate. (*Dunk*, 48 Cal.App.4th at 1801). Prior to mediation,
23 Defendant Wineshipping.com LLC produced a random sampling of putative class members' time and
24 pay records as well as its relevant wage and hour policies, and information regarding the total number of
25 putative class members, the number of current versus former employees, the total workweeks worked by
26 the putative class members, and the average rate of pay for the putative class members. (Rose Decl., ¶
27 37).

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1 This allowed Class Counsel to conduct an informed assessment and analysis of the strengths and
2 weaknesses of the claims and the potential class-wide damages. (*Id.*, ¶ 38). Based on information
3 exchanged, the Parties extensively briefed issues regarding class certification and liability and provided
4 their analyses to the Mediator who helped the Parties debate the strengths and weakness of their respective
5 positions. (*Id.*, ¶ 39). At all times, Plaintiffs were willing and prepared to litigate this matter through
6 class certification and trial if the Parties had been unable to reach a favorable resolution. (*Ibid.*).
7 Additionally, settlement negotiations were conducted by highly capable and experienced counsel. (Rose
8 Decl., ¶¶ 1-8; Declaration of Stan S. Mallison in Support of Plaintiffs’ Motion for Preliminary Approval
9 of Class Action and PAGA Settlement, [“Mallison Decl.”], ¶¶ 2-9). Accordingly, Class Counsel had
10 sufficient information and experience to act intelligently in negotiating the Settlement.

11 **C. The Settlement is Fair and Reasonable in Light of the Parties’ Respective Legal Positions**
12 **and Recovery Risks**

13 A settlement is not judged against what might have been recovered had a plaintiff prevailed at
14 trial, nor does the settlement have to obtain 100% of the damages sought to be fair and reasonable.
15 (*Wershba*, 91 Cal.App.4th at 246, 250). In evaluating the reasonableness of a settlement, a trial court
16 must consider “the strength of plaintiffs’ case, the risk, expense, complexity and likely duration of further
17 litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the
18 extent of discovery completed and the stage of the proceedings, the experience and views of counsel, the
19 presence of a governmental participant, and the reaction of the class members to the proposed settlement.”
20 (*Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 128 (2008)).

21 Here, the reasonableness of the Settlement is underscored by the fact that Defendants have legal
22 and factual grounds for defending the Action. Based upon Class Counsel’s experience litigating similar
23 complex matters, Plaintiffs reasonably expected a vigorous and lengthy defense to both class certification
24 and the merits of the Action absent a settlement.

25 **1. Class Counsel’s Analysis of the Maximum Available Liability and Damages**

26 Class Counsel analyzed all available data and estimated Defendants’ maximum potential exposure
27 to be approximately \$8,760,119, assuming the litigation was successful at trial on all claims at issue and
28 every employee had a violation for each claim on every shift worked. (Rose Decl., ¶ 40). This maximum

1 potential analysis was then reduced based on the challenges facing the likelihood of obtaining class
2 certification, prevailing at trial, and other attendant risks. (Ibid). This estimate is based off an estimated
3 maximum liability for all claims at issue and the total aggregate workweeks during the relevant time
4 period, less interest, and based on the analysis of the data which was extrapolated out for all class
5 members across the entire putative class period, which included: \$701,782 for meal period violations
6 (less meal period premiums paid); \$3,900,322 for rest period violations at a 100% violation rate; \$876,058
7 for unpaid off-the-clock work for 1 hour per workweek of off-the-clock work; \$105,945 for unpaid
8 overtime wages at the required regular rate of pay; \$234,027 for unpaid overtime wages based on an
9 invalid alternative workweek schedule; \$297,692 for unreimbursed business expenses; \$2,107,024 for
10 waiting time penalties; and \$537,269 for wage statement penalties. (Ibid). Plaintiffs further estimated
11 that Defendants faced an additional exposure of \$1,673,600 in potential, non-stacked (i.e., one penalty,
12 per employee, per pay period during the PAGA statutory period) PAGA penalties. (Ibid). Together with
13 the PAGA penalties, Defendants' maximum potential exposure totaled \$10,433,119 in damages. (Ibid).

14 **2. Class Counsel's Risk-Based Analysis and Risk-Based Adjustments**

15 While Plaintiffs believe that Defendants faced significant exposure, substantial barriers to a
16 recovery existed. Defendants contended that Plaintiffs' claims are not suitable for class certification
17 because individual issues and affirmative defenses would predominate should these cases go to trial.
18 (Rose Decl., ¶ 43; *See Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004 (2012); *Duran v.*
19 *U.S. Bank Nat. Assn.*, 59 Cal.4th 1, 35-36 (2014); *Wal-Mart Stores, Inc. v. Dukes*, 131 S.Ct. 2541, 2551
20 (2011)). While Plaintiffs and Class Counsel disagree with Defendants' predictions, they also recognize
21 that there is a significant risk that the Court may deny class certification. (Rose Decl., ¶ 43; *see also*,
22 *Findings of the Study of California Class Action Litigation*, 2000-2006, available at
23 <http://www.courts.ca.gov/documents/class-action-lit-study.pdf> (finding that only 21.4% of all class
24 actions were certified either as part of a settlement or as part of a contested certification motion)).

25 For example, Plaintiffs' meal period claims, which were based on Defendants' alleged failure to
26 provide lawful meal periods, have been increasingly difficult to certify in recent years. (Rose Decl., ¶
27 44; *See Brinker*, 53 Cal. 4th at 1034-35). Plaintiffs' theory of liability for meal period violations was
28 based on allegations that Defendants had failed to implement their policies and that their practices failed

1 to allow Class Members to take meal breaks in the manner required under California law. (Rose Decl.,
2 ¶ 44; *See Bradley v. Networkers Int'l, LLC*, 211 Cal.App.4th 1129, 1150 (2012) (holding that “the lack
3 of a meal/rest break policy and the uniform failure to authorize such breaks are matters of common
4 proof.”)). Defendants contended that their policies and practices at all times during the Class Period were
5 lawful. (Rose Decl., ¶ 44). Indeed, Plaintiffs’ analysis revealed only a 18.7% violation rate for purported
6 unique meal period violations after offsetting for meal period premiums paid. (Ibid). Defendants further
7 argued that the rate of purported meal period violations reflected in the data would require individualized
8 inquiry and that such inquiry would prohibit a class from being certified. (Ibid). Class Counsel also had
9 to consider the risk that the Court would find validity in an individualized proof defense to certification
10 of Plaintiffs’ meal period claim. (Ibid).

11 Additionally, a large portion of Defendants’ overall liability lies in Plaintiffs’ rest period
12 allegations. (*Id.*, ¶ 45). As with the meal period allegations, Defendants contended that they had a lawful
13 written rest period policy, provided compliant rest breaks, and relieved Class Members of all duties as
14 required under California law. (Ibid). Additionally, this claim was even more uncertain given the
15 difficulties associated with proving the alleged rest period violations, as Defendants were not required to
16 record these breaks. (Ibid). Given the lack of records demonstrating rest period violations, there were
17 legitimate concerns Plaintiffs would not be able to certify these claims or prove substantial damages with
18 requisite certainty, which made the estimated value of this claim subject to much challenge. (Ibid).

19 Plaintiffs also faced challenges certifying and proving liability for their minimum wage and
20 overtime claims. (*Id.*, ¶ 46). These claims were largely based on Defendants’ unrecorded, off-the-clock
21 work performed by the Class Members both before and after their shifts and during purported meal
22 periods. (Ibid). For example, Class Members reported that they were regularly required to perform work-
23 related tasks before clocking in, including checking and charging forklifts, retrieving tools from their
24 work lockers, and processing paperwork. (Ibid). However, the individualized nature of why this work
25 was performed and the individualized nature of damages presented substantial concerns regarding the
26 manageability of the case and the risk the Court could find these issues prevented certification, and the
27 estimated damages for this claim were based on an assumption that all Class Members worked off the
28 clock for at least one hour per week. (Ibid). Additionally, Plaintiffs’ overtime claim was based on unpaid

overtime compensation in connection with invalid alternative workweek schedules. (Ibid). However, Defendants denied that any invalid alternative workweek schedules were in place during the Class Period. (Ibid).

Plaintiffs also contended that Defendants failed to reimburse Plaintiffs and the other Class Members for necessary business-related expenses, such as the purchase of safety equipment, various office supplies, and usage of personal cell phones for work-related purposes. (*Id.*, ¶ 47). Defendants contended that they had a policy and practice of reimbursing employees for necessary business-related expenses. (Ibid). Defendants further contended that, with respect to the alleged expenses for which Plaintiffs and the other Class Members never requested reimbursement from Defendants, they did not know and had no reason to know that alleged business-related expenses had been incurred. (Ibid). Defendants further contended that the reason for why a Class Member undertook certain expenses, while not others, and failed to receive reimbursement for certain expenses while not others, would raise individual issues that could not be certified. (Ibid).

There are also substantial risks associated with Plaintiffs' waiting time penalties and wage statement claims. (*Id.*, ¶ 48). First, these claims were derivative of Plaintiffs' claims for unpaid meal period premiums, unpaid rest period premiums, unpaid minimum wages, and unpaid overtime wages, and if certification was denied on those underlying claims, these derivative claims for penalties would also likely fail. (Ibid). Further, even if Plaintiffs prevailed on their underlying claims, they would still be required to demonstrate that Defendants' violations of California Labor Code section 203 were *willful* violations. (Rose Decl., ¶ 48; *See, e.g., Choate v. Celite Corp.*, 215 Cal App. 4th 1460, 1468 (2013) (holding that "an employer's reasonable, good faith belief that wages are not owed may negate a finding of willfulness")). Wage statement claims have also seen varying treatment at the appellate level because such claims have an element of discretion attached to them rather than a pure calculation of damages after liability is proven. (Rose Decl. ¶ 48; *Jaimez v. DAIOHS USA, Inc.*, 181 Cal.App.4th 1286 (2010) *with Price v. Starbucks Corp.*, 192 Cal.App.4th 1136 (2011)). Accordingly, these derivative claims, which comprised a substantial portion of Defendants' estimated liability, were therefore uncertain. (Rose Decl., ¶ 48).

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1 Class Counsel also recognized that, even if Plaintiffs prevailed at class certification, proving the
2 amount of wages due to Class Members would be an expensive, time-consuming, and uncertain
3 proposition. (*Id.*, ¶ 49). In order to prove liability and damages, Class Counsel will need to request and
4 analyze thousands of pages of documents, obtain the Class Members' contact information, contact them,
5 and obtain their declarations at great expense. (*Ibid.*). Obtaining the cooperation of current employees
6 would also be difficult, given the likely reluctance to aid prosecution of a lawsuit against a current
7 employer. (*Ibid.*). On the other hand, Defendants would likely be able to obtain the cooperation of their
8 employees. (*Ibid.*). Moreover, even if Plaintiffs prevailed at class certification and trial, possible appeals
9 would substantially delay any recovery by the Class. (*Ibid.*).

10 Class Counsel also contemplated the risks of proceeding with the PAGA claims and potential
11 liability Defendants could face from these claims as part of the global resolution. (*Id.*, ¶ 50). Existing
12 case law makes PAGA claims subject to the same defenses and risks as Plaintiffs' underlying wage
13 claims. (Rose Decl., ¶ 50; see, *Elliot v. Spherion Pac. Work, LLC*, 572 F.Supp.2d 1169, 1181-82 (C.D.
14 Cal. 2008) ("Plaintiff's claim under [PAGA] is wholly dependent upon her other claims. Because all of
15 Plaintiff's other claims fail as a matter of law, so does her PAGA claim")). Class Counsel also anticipated
16 that even if successful on the merits at trial, the imposition of cumulative civil penalties based on the
17 alleged wage and hour violations could be considered unjust, arbitrary and oppressive, or confiscatory,
18 and that Defendants would argue that they made a good faith attempt to comply with their legal
19 obligations warranting a reduction in penalties. (Rose Decl., ¶ 50).¹ Class Counsel also anticipated
20 Defendants would argue that the violations per pay period were low, warranting an additional reduction
21 in civil penalties. (*Ibid.*). Finally, Class Counsel was also mindful of the fact that PAGA is fundamentally
22 not intended to be compensatory in nature but is instead intended to facilitate enforcement of California's
23

24 ¹ See, e.g., *Thurman v. Bayshore Transit Management, Inc.*, 203 Cal.App.4th 1112, 1131 (2012) (imposition of both statutory
25 and civil penalties for same conduct is impermissible double recovery) (disapproved on other grounds); *Aguirre v. Genesis*
26 *Logistics*, 2013 WL 10936035, at *3 (C.D. Cal. 2013) ("duplicative effect" of penalties is a factor in favor of "reducing ...the
27 PAGA penalty"); *Smith v. Lux Retail North America, Inc.*, 2013 WL 2932243, at *3 (N.D. Cal. June 13, 2013) (declining to
28 stack penalties based on the same conduct); *Castillo v. ADT, LLC*, 2017 WL 363108, at *4 (E.D. Cal. Jan. 25, 2017); *Sanchez*
v. McDonalds Restaurants of California, Inc., 2017 WL 4620746 (LA Super. Ct. July 6, 2017) (declining to stack penalties
arising out of the same conduct); *Fleming v. Covidien, Inc.*, 2011 WL 756304718, at *4 (C.D. Cal. Aug. 12, 2011) (reducing
PAGA penalties by 80%); *Cotter v. Lyft, Inc.*, 193 F.Supp.3d 1030 (N.D. Cal. 2016) (indicating that a substantial reduction is
warranted where good faith dispute exists in legal obligations); *Carrington v. Starbucks Corp.*, 30 Cal.App.5th 504, 529 (2018)
(approving reduction in penalties from \$50 per pay period to \$5 per pay period based on good faith attempts to comply with
obligations and minimal violations).

labor laws by financing state activities and educating and deterring non-compliance. (Ibid).

Accordingly, after considering this multitude of factors, Plaintiffs and Class Counsel concluded that it was in the best interest of the State of California and the PAGA Employees to enter into the Settlement, and to allocate One Hundred Thousand Dollars and Zero Cents (\$100,000.00) of the Gross Settlement Amount towards the PAGA claims, which represents approximately 4.44% of the Gross Settlement Amount. (*Id.*, ¶ 51). This percentage of the settlement is well within the range of wage and hour settlements regularly approved in both state and federal court for cases that include both a class and PAGA action. (Ibid). Typically, such hybrid cases allocate only 1% of the gross settlement value to resolve PAGA claims, and, indeed, settlements allocations as little as 0.22% of the gross settlement amount have been approved as reasonable by courts. (Ibid). Moreover, the overall relief obtained by the Settlement is significant, not only from a monetary perspective, but also because it fulfills the public policy objectives of PAGA—to promote enforcement of California’s labor laws, provide funds to the state, and deter future non-compliance by the employer. (Ibid).

Therefore, taking into account how each of the above risks potentially effected Plaintiffs’ ability to first obtain class certification, and then prove the underlying violations, the Court’s broad discretion in civil penalties, plus the cost and delay in recovering the alleged potential damages, Class Counsel discounted Defendants’ estimated liability based on the challenges facing their ability to succeed on class certification by 50% to \$5,216,560. (*Id.*, ¶ 52). The merits-based risk factors further reduced Defendants’ estimated liability by an additional 50%. (Ibid). This resulted in an adjusted estimated liability of \$2,608,280. (Ibid). In light thereof, the settlement amount of \$2,250,000 is a significant settlement. (Ibid).

Class Counsel therefore submits that the Settlement is in the best interest of the Class Members, the PAGA Employees, and the State of California and is within the accepted range of recoveries for this type of litigation given the inherent risk of litigation, the risk of obtaining and maintaining class certification, and the costs of further litigation. (*Id.*, ¶ 53).

VI. CERTIFICATION FOR SETTLEMENT PURPOSES IS WARRANTED

Code of Civil Procedure Section 382 provides that three basic requirements must be met in order to sustain any class action: (1) there must be an ascertainable class; (2) there must be a well-defined

community of interest in the question of law or fact affecting the parties to be represented; and (3) certification will provide substantial benefits to litigants and the courts, i.e., proceeding as a class action is superior to other methods. (*See Dunk*, 48 Cal.App.4th at 1806). Plaintiffs contend that the Action, which is based upon Defendants' wage and hour policies and practices, satisfies the class certification requirements under California Code of Civil Procedure section 382. Defendants deny Plaintiffs' allegations, but for purposes of the Settlement only, Defendants have stipulated to certification of the Class.

A. An Ascertainable Class Exists Which is So Numerous That Joinder of All Members is Impracticable

Whether an ascertainable class exists turns on three factors: (1) the class definition, (2) the size of the class, and (3) the means of identifying the class members. (*See Miller v. Woods*, 148 Cal.App.3d 862, 873 (1983)). In this case, all three considerations strongly favor class certification. Here, the Class is defined as "all current and former hourly-paid and/or non-exempt employees who worked for Defendant Wineshipping.com LLC in the State of California at any time during the Class Period." (Rose Decl., ¶ 29; Settlement Agreement, ¶ 15.b). This provides a clear and definite scope for the proposed class.

Next, the Class is sufficiently numerous. There is no magic number that satisfies the numerosity requirement. Courts have certified classes with as few as ten or twenty-eight class members. (*Rose v. City of Hayward*, 126 Cal.App.3d 926, 934 (1981); *Bowles v. Superior Court*, 44 Cal. 2d 574 (1995); *Hebbard v. Colgrove*, 28 Cal.App.3d 1017, 1030 (1972)). Here, the estimated Class size of five hundred and seventy-five (575) individuals meets the numerosity requirement.

Finally, the question of whether class members are easily identifiable turns on whether a plaintiff can establish "the existence of an ascertainable class." (*Daar v. Yellow Cab Co.*, 67 Cal.2d 695 at 706 (1967)). The existence of an ascertainable class in this case can be established through Defendant Wineshipping.com LLC's payroll records, and the Class definition is sufficiently specific to enable the Parties, Class Members, and the Court to determine the parameters of the Class. (*See Clothesrigger, Inc. v. GTE Corp.*, 191 Cal.App.3d 605, 617 (1987)).

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1 **B. The Class Shares a Well-Defined Community of Interest**

2 The community of interest requirement embodies three factors: (1) predominant questions of law
3 and fact; (2) class representatives with claims or defenses typical of the class; and (3) class representatives
4 who can adequately represent the class. (*Dunk*, 48 Cal.App.4th at 1806). Here, all three requirements
5 are easily satisfied.

6 The commonality criterion requires the existence of common question of law or fact and is
7 generally established with the issues of predominance and typicality. (*See Daar*, 67 Cal.2d 695, 706).
8 What is required is that a common question of fact or law exists which predominates over issues unique
9 to individual plaintiffs. The existence of individual issues or facts—generally present in any case arising
10 from employment—is not a bar to class certification as long as they do not render class litigation
11 unmanageable or predominate over the common issues. (*See B.W.I. Custom Kitchen v. Owens-Illinois,*
12 *Inc.*, 191 Cal.App.3d 1341, 1354 (1987)).

13 Here, Plaintiffs’ claims present common issues of law and fact that predominate and warrant class
14 certification. Plaintiffs allege that Defendants denied compliant meal and rest periods to employees,
15 required employees to perform work off-the-clock, and failed to fully compensate employees for all time
16 actually worked. These policies and practices meant that Defendants allegedly failed to pay minimum
17 and overtime wages, and other related claims. Plaintiffs allege that Defendants’ policies and practices
18 were uniform as to all Class Members. Thus, class treatment is appropriate.

19 To satisfy the typicality requirement, California law does not require that plaintiffs’ claims be
20 identical to the other class members. Rather, the test of typicality for a class representative is whether
21 other members have the same or similar injury, whether the action is based on conduct which is not
22 unique to the named plaintiff, and whether other class members have been injured by the same course of
23 conduct. (*See Seastrom v. Neways, Inc.*, 149 Cal.App.4th 1496, 1502 (2007)). The typicality requirement
24 for a class representative refers to the nature of the claim or defense of the representative, and not to the
25 specific facts from which it arose or the relief sought. (*See Ibid*).

26 Here, Plaintiffs allege that their claims are similar to that of the other Class Members and that
27 Plaintiffs’ claims arise out of the same alleged course of conduct giving rise to the claims of the other
28 Class Members. Because Plaintiffs’ claims are based upon the same alleged conduct and business

practices as those of Class Members, the typicality requirement have been satisfied.

Finally, the question of adequacy of representation “depends on whether the plaintiff’s attorney is qualified to conduct the proposed litigation and the plaintiff’s interests are not antagonistic to the interests of the class.” (*McGee v. Bank of America*, 60 Cal.App.3d 442, 450 (1976)). Here, these considerations are satisfied. Class Counsel are well-regarded and are qualified and experienced in employment-related, class-action litigation. (Rose Decl., ¶¶ 1-8; Mallison Decl., ¶¶ 2-9). Plaintiffs will vigorously, adequately, and fairly represent the interests of the Class. Plaintiffs have, at all times, throughout the course of the litigation considered the interests of the Class and understood that they must take steps to adequately represent the Class and their interests. (Wentz Decl., ¶ 10; Flores Decl., ¶ 8). Because Plaintiffs’ claims are typical of other Class Members and are not based on unique circumstances, there is no antagonism between the interests of Plaintiffs and the Class.

C. A Class Action is Superior to a Multiplicity of Litigation

Under the circumstances, proceeding as a class action is a superior means of resolving this dispute, as the Class Members and the Court will derive substantial benefits. Class certification would serve as the only means to deter and redress the alleged violations. (*See Linder v. Thrifty Oil Co.*, 23 Cal.4th 429, 434 (2000) (relevant considerations include the probability that each class member will come forward to prove his or her separate claim and whether the class approach would actually serve to deter and redress the alleged wrongdoing)). Further, individual actions arising out of the same operative facts would unduly burden the courts and could result in inconsistent results. Therefore, class action proceedings are superior to individual litigation.

VII. THE REQUESTED ENHANCEMENT PAYMENTS ARE REASONABLE

Plaintiffs in class action lawsuits are eligible for reasonable incentive payments as compensation “for the expense or risk they have incurred in conferring a benefit on other members of the class.” (*Munoz v. BCI Coca-Cola Bottling Co.*, 186 Cal.App.4th 399, 412 (2010)). Courts routinely grant approval of class action settlement agreements containing enhancements for the class representative, which are necessary to provide incentive to represent the class and are appropriate given the benefit the class representatives help to bring about for the class. (*See In re Online DVD Rental*, 779 F.3d 934, 947-948 (9th Cir. 2014) (approving incentive award 417 times larger than individual payments where incentive

award made up a mere .17% of the settlement); *Gaudin v. Saxon Mortgage Servs., Inc.*, 2015 WL 7454183, at *10 (N.D. Cal. Nov. 23, 2015) (finding service award of \$15,000 to be “fair and reasonable”)).

Plaintiffs initiated this litigation on behalf of their former co-workers who will now be entitled to receive payment from the Settlement. Plaintiffs invested substantial time and effort into litigation, including their own research, reviewing documents, and extensive discussions with Class Counsel. (Wentz Decl., ¶¶ 3-5; Flores Decl., ¶ 10). Further, the requested amounts for Plaintiffs are also reasonable given the average award and the benefit gained by other Class Members. For these reasons, Plaintiffs request that Enhancement Payments of Ten Thousand Dollars and Zero Cents (\$10,000.00) each to Plaintiffs (total, \$20,000.00) be preliminarily approved by the Court. (Rose Decl., ¶ 54; Wentz Decl., ¶ 12; Flores Decl., ¶ 15).

VIII. THE REQUESTED ATTORNEYS’ FEES AND COSTS ARE REASONABLE

Trial courts have “wide latitude” in assessing the value of attorneys’ fees and their decisions are “not to be disturbed on appeal absent a manifest abuse of discretion.” (*Lealao v. Beneficial Cal, Inc.*, 82 Cal.App.4th 19, 41 (2000)). California law provides that attorney fee awards should be equivalent to fees paid in the legal marketplace to compensate for the result achieved and risk incurred. (*Id.* at 47). In cases where class members present claims against a common fund and the defendant agrees to a percentage of the fund as part of the settlement, use of the percentage method is appropriate. (*Id.* at 32).

Here, the requested attorneys’ fees of thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$787,500.00 if the Gross Settlement Amount is \$2,250,000.00) is disclosed to Class Members in the proposed Class Notice. (Settlement Agreement, Exh. A). The requested fee was freely negotiated, is common in the legal marketplace, and is not opposed by Defendants. The Motion for Final Approval will elaborate on the nature of the legal services provided and will also support Class Counsel’s request for the reimbursement of litigation costs and expenses not to exceed Seventy-Five Thousand Dollars and Zero Cents (\$75,000.00). (Rose Decl., ¶ 55). The Attorneys’ Fees and Costs that are not ultimately approved by the Court shall instead be included in the Net Settlement Amount to be distributed to Settlement Class Members. (Settlement Agreement, ¶ 18).

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1 **IX. THE CLASS NOTICE AND THE OPT-OUT AND OBJECTION PROCESS**
2 **MEETS DUE PROCESS REQUIREMENTS**

3 The Parties have jointly drafted the Class Notice, which will be mailed to the Class Members.
4 (*Id.*, Exh. A). The Class Notice will include information regarding the nature of the Action, a summary
5 of the terms of the Settlement, the Class definition, information on how to object to and/or opt-out of the
6 Class Settlement and to dispute Workweeks and/or Pay Periods, and the date of the Final Approval
7 Hearing. (*Ibid.*). The Class Notice will list each Class Member's total Workweeks and their estimated
8 Individual Settlement Share and each PAGA Employee's total Pay Periods and their estimated Individual
9 PAGA Payment. (*Ibid.*).

10 Within twenty-one (21) calendar days after entry of the preliminary approval order, Defendants
11 will provide a list in a formatted readable Microsoft Office Excel spreadsheet to the Settlement
12 Administrator containing the following information for each Class Member: full name; last known
13 mailing address; Social Security number; dates worked for Defendant Wineshipping.com LLC during the
14 Class Period; and total Workweeks and Pay Periods (collectively referred to as the "Class List"). (*Id.*, ¶¶
15 15.d and 32). Within ten (10) business days after receiving the Class List from Defendants, the Settlement
16 Administrator will perform a search based on the National Change of Address Database or other similar
17 services available, such as provided by Experian, for information to update and correct for any known or
18 identifiable address changes, and will mail a Class Notice in English and Spanish to all Class Members
19 via First-Class U.S. Mail, using the most current, known mailing addresses identified by the Settlement
20 Administrator. (*Id.*, ¶ 33.a). The Parties have agreed to use Phoenix Settlement Administrators as the
21 Settlement Administrator. (Rose Decl., ¶ 59; Settlement Agreement, ¶ 15.kk).

22 In determining whether to approve a settlement of a class action, a trial court has virtually
23 complete discretion as to the manner of giving notice to class members, and review on appeal is governed
24 by the abuse of discretion standard. (*See In re Cellphone Fee Termination Cases*, 186 Cal.App.4th 1380
25 (2010)). Here, Class Counsel is not aware of an alternative method of providing notice to the Class which
26 would result in a higher likelihood of actual notice. (Rose Decl., ¶ 60). The original source of the mailing
27 addresses is from Class Members, who provided the information to Defendants. (*Ibid.*).

28 ///

1 Class Members will have sixty (60) calendar days from the initial mailing of the Class Notice by
2 the Settlement Administrator to submit a Request for Exclusion, Notice of Objection, and/or Dispute
3 (“Response Deadline”). (Settlement Agreement, ¶ 15.jj).

4 Any Class Notice returned to the Settlement Administrator as undeliverable on or before the
5 Response Deadline will be sent promptly via First-Class U.S. Mail to the forwarding address affixed
6 thereto and the Settlement Administrator will indicate the date of such re-mailing on the Class Notice.
7 (*Id.*, ¶ 33.b). If no forwarding address is provided, the Settlement Administrator will promptly attempt
8 to determine a correct address using a skip-trace or other search, using the name, address, and/or Social
9 Security number of the Class Member, and perform a single re-mailing within five (5) calendar days.
10 (*Ibid.*). In the event that a Class Notice is re-mailed to a Class Member, the Response Deadline for that
11 Class Member shall be extended fifteen (15) calendar days from the original Response Deadline. (*Id.*, ¶
12 15.jj).

13 Class Members will have an opportunity to dispute the number of Workweeks and/or Pay Periods
14 to which they have been credited, as reflected in their respective Class Notices, by submitting a timely
15 and valid letter (“Dispute”) to the Settlement Administrator, by mail, postmarked on or before the
16 Response Deadline. (*Id.*, ¶¶ 15.j and 34). A Dispute must: (a) contain the case name and number of the
17 Action; (b) contain the Class Member’s full name, signature, address, telephone number, and the last four
18 (4) digits of the Class Member’s Social Security number; (c) clearly state that the Class Member disputes
19 the number of Workweeks and/or Pay Periods credited to the Class Member and what the Class Member
20 contends is the correct number; and (d) be returned by mail to the Settlement Administrator at the
21 specified address, postmarked on or before the Response Deadline. (*Id.*, ¶ 15.j).

22 Any Class Member wishing to be excluded from the Class Settlement must submit a timely and
23 valid letter (“Request for Exclusion”) to the Settlement Administrator, by mail, postmarked on or before
24 the Response Deadline. (*Id.*, ¶¶ 15.ii and 35). A Request for Exclusion must: (a) contain the case name
25 and number of the Action; (b) contain the Class Member’s full name, signature, address, telephone
26 number, and last four (4) digits of the Class Member’s Social Security number; (c) clearly state that the
27 Class Member does not wish to be included in the Class Settlement; and (d) be returned by mail to the
28 Settlement Administrator at the specified address, postmarked on or before the Response Deadline. (*Id.*,

¶ 15.ii). Notwithstanding the above, all PAGA Employees will be bound by the PAGA Settlement and will be issued their Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion. (*Id.*, ¶ 35).

To object to the Class Settlement, Settlement Class Members must submit a timely and complete written objection (“Notice of Objection”) to the Settlement Administrator, by mail, postmarked on or before the Response Deadline. (*Id.*, ¶¶ 15.w and 36). A Notice of Objection must: (a) contain the case name and number of the Action; (b) contain the objector’s full name, signature, address, telephone number, and the last four (4) digits of the objector’s Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline. (*Id.*, ¶ 15.w). Settlement Class Members, individually or through counsel, may also present their objection orally at the Final Approval Hearing, regardless of whether they have submitted a Notice of Objection. (*Id.*, ¶ 36).

X. CONCLUSION

For all of the foregoing reasons, Plaintiffs respectfully request that this Court grant Plaintiffs’ Motion for Preliminary Approval of Class Action and PAGA Settlement and the relief requested herein.

Respectfully submitted,

Dated: September 4, 2026

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Dated: September 4, 2026

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