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16 Attorneys for Plaintiff MICHAEL HILLSTROM

17 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

18 **IN AND FOR THE COUNTY OF NAPA**

19 MICHAEL HILLSTROM, an individual, on  
20 behalf of himself and on behalf of all persons  
21 similarly situated,

22 Plaintiff,

23 v.

24 CONSTELLATION BRANDS, INC., a  
 25 Delaware Corporation; TPWC, INC., a  
 26 Delaware Corporation; ROBERT MONDAVI  
 27 WINERY, a California Corporation;  
 28 CONSTELLATION BRANDS U.S.  
 OPERATIONS, INC., a New York  
 Corporation; FRANCISCAN VINEYARDS,  
 INC., a Delaware Corporation;  
 CONSTELLATION WINES U.S., INC., a  
 corporation; and DOES 1-50, Inclusive,

Defendants.

**FILED**

**APR 23 2024**

CLERK OF THE NAPA SUPERIOR COURT  
BY  DEPUTY

Case No.: 22CV000006

<sup>SMY</sup>  
~~PROPOSED~~ ORDER GRANTING FINAL APPROVAL

Date: April 19, 2024

Time: 9:30 a.m.

Judge: Hon. Cynthia P. Smith

Dept.: A

1 Plaintiff's motion for an order finally approving the Class Action and PAGA Settlement  
2 Agreement ("Agreement") and Motion for Attorneys' Fees, Costs and Representative Service  
3 Award duly came on for hearing on April 19, 2024, before the above-entitled Court. Zakay Law  
4 Group, APLC, and the JCL Law Firm, APC, appeared on behalf of Plaintiff MICHAEL  
5 HILLSTROM ("Plaintiff"). Seyfarth Shaw LLP appeared on behalf of Defendants  
6 CONSTELLATION BRANDS, INC., a Delaware Corporation; and TPWC, INC., a Delaware  
7 Corporation (hereinafter "Defendants").

8 **I.**

9 **FINDINGS**

10 Based on the oral and written argument and evidence presented in connection with the  
11 motion, the Court makes the following findings:

12 1. All capitalized terms used herein shall have the same meaning as defined in  
13 the Agreement.

14 2. This Court has jurisdiction over the subject matter of this litigation pending  
15 in the California Superior Court for the County of Napa ("Court"), Case No. 22CV000006, entitled  
16 *Michael Hillstrom v. Constellation Brands, Inc. et. Al.* and over all Parties to this litigation, including  
17 the Class.

18 **Preliminary Approval of the Settlement**

19 3. On November 30, 2023, the Court granted preliminary approval of a class-  
20 wide settlement. At this same time the court approved certification of a provisional settlement class  
21 for settlement purposes only. The Court confirms this Order and finally approves the settlement  
22 and the certification of the Class.

23 **Notice to the Class**

24 4. In compliance with the Preliminary Approval Order, the Class Notice was  
25 mailed by first class mail to the Class Members at their last known addresses on December 21, 2023.  
26 Mailing of the Class Notice to their last known addresses was the best notice practicable under the  
27 circumstances and was reasonably calculated to communicate actual notice of the litigation and the  
28

1 proposed settlement to the members of the Class Members. The Court finds that the Class Notice  
2 provided fully satisfies the requirements of California Rules of Court, rule 3.769.

3           5.       The Response Deadline for opting out or objecting was February 5, 2024.  
4 There was an adequate interval between notice and deadline to permit Class Members to choose  
5 what to do and act on their decision. No Class Members objected. Only two Class Members  
6 requested exclusion. The names of the Class Members who opted out are Cathleen Gray and Valerie  
7 Varachi.

8 **Fairness Of The Settlement**

9           6.       The Agreement provides for a Gross Settlement Amount of \$2,500,000.00.  
10 The Agreement is entitled to a presumption of fairness. (*Dunk v. Ford Motor Co.* (1996) 48  
11 Cal.App.4th 1794, 1801.)

12                 a.       The settlement was reached through arms-length bargaining between  
13 the Parties. There is no evidence of any collusion between the Parties in reaching the proposed  
14 settlement.

15                 b.       The Parties' investigation and discovery have been sufficient to allow  
16 the Court and counsel to act intelligently.

17                 c.       Counsel for all parties are experienced in similar employment class  
18 action litigation and have previously settled similar class claims on behalf of employees claiming  
19 compensation. All counsel recommended approval of the Settlement.

20                 d.       No objections were received. Only two requests for exclusion were  
21 received.

22                 e.       The participation rate is high. Approximately 99.76% of Class  
23 Members will be participating in the Settlement and will be sent settlement payments.

24           7.       The consideration to be given to the Class Members under the terms of the  
25 Agreement is fair, reasonable, and adequate considering the strengths and weaknesses of the claims  
26 asserted in this Action and is fair, reasonable, and adequate compensation for the release of the  
27 Settled Class Claims and Settled PAGA Claims, given the uncertainties and risks of litigation and  
28 the delays which would ensue from continued prosecution of the Action.

1           8.     The Agreement is finally approved as fair, adequate, and reasonable and in  
2 the best interests of the Participating Class Members.

3 **PAGA Settlement Amount**

4           9.     The Agreement provides for a payment of PAGA Settlement in the amount  
5 of \$100,000.00. The Court has reviewed the PAGA Settlement amount and finds and determines that  
6 the PAGA Settlement Amount and the allocation of \$75,000.00 to LWDA and \$25,000.00 to  
7 Aggrieved Employees is fair and reasonable and complies with the requirements set forth in *Moniz*  
8 *v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56.

9 **Attorneys' Fees and Costs**

10          10.    The Agreement provides for a payment for Attorneys' Fees and Costs in the  
11 amount of up to Eight Hundred Sixty-Eight Thousand Three Hundred Thirty-Three Dollars and  
12 Thirty-Three Cents (\$868,333.33). Subject to Court approval, the Attorneys' Fees and Costs  
13 consists of attorneys' fees equal to one-third (1/3) of the Gross Settlement Amount, or Eight  
14 Hundred Thirty-Three Dollars and Three Hundred Thirty-Three Dollars and Thirty-Three Cents  
15 (\$833,333.33) and reimbursement of litigation expenses in the amount of Thirty-Five Thousand  
16 Dollars and Zero Cents (\$35,000.00).

17          11.    Attorneys' Fees and Costs of Eight Hundred Sixty-Eight Thousand Three  
18 Hundred Thirty-Three Dollars and Thirty-Three Cents (\$868,333.33) comprised of attorneys' fees  
19 in the amount of Eight Hundred Thirty-Three Dollars and Three Hundred Thirty-Three Dollars and  
20 Thirty-Three Cents (\$833,333.33) and reimbursement of litigation expenses in the amount of Thirty-  
21 Five Thousand Dollars and Zero Cents (\$35,000.00) is reasonable in light of the contingent nature  
22 of Class Counsel's fee, the hours worked by Class Counsel, and the results achieved by Class  
23 Counsel. The requested attorneys' fee award represents 1/3 of the common fund, which is  
24 reasonable, and is supported by Class Counsel's lodestar.

25 **Enhancement Payment**

26          12.    The Agreement provides for an Enhancement Payment of up to Twelve  
27 Thousand Five Hundred Dollars and Zero Cents (\$12,500.00) allocated to Plaintiff, subject to the  
28 Court's approval. The Court finds that the amount of Twelve Thousand Five Hundred Dollars and

1 Zero Cents (\$12,500.00) is reasonable in light of the risks and burdens undertaken by Plaintiff in  
2 this class action litigation.

3 **Settlement Administration Expenses**

4 13. The Agreement provides for Settlement Administration Expenses to be paid  
5 in an amount not to exceed thirteen thousand dollars and zero cents (\$13,000.00). The Declaration  
6 of the Administrator provides that the actual claims Settlement Administration Expenses were  
7 \$12,700.00. The amount of this payment is reasonable in light of the work performed by the  
8 Administrator.

9 **II.**

10 **ORDERS**

11 Based on the foregoing findings, and good cause appearing, IT IS HEREBY ORDERED:

12 1. The Class is certified for the purposes of settlement only. The Settlement  
13 Class is hereby defined to include:

14 All non-exempt employees who are or previously were employed by Defendants and  
15 performed work in California during the Class Period (January 3, 2018, through and  
16 including July 27, 2023).

17 2. There are 830 participating members of the Class. Every person in the Class  
18 who did not opt out is a Settlement Class Member. After providing Notice to the Class, there are  
19 two opt-outs to the Settlement. The names of the Class Members who opted out are Cathleen Gray  
20 and Valerie Varachi.

21 3. The Agreement is hereby approved as fair, reasonable, adequate, and in the  
22 best interest of the Class. The Parties are ordered to effectuate the Settlement in accordance with  
23 this Order and the terms of the Agreement.

24 4. Defendants shall fund the Gross Settlement Amount on the Funding Date. In  
25 exchange the Class Members shall release the "Released Parties" from the "Released Class Claims"  
26 and the "Aggrieved Employees" shall release the "Released Parties" from the "Released PAGA  
27 Claims."

28 ///

1 a. The “Released Parties” means Defendants CONSTELLATION  
2 BRANDS, INC. and TPWC, Inc. and their predecessors, successors, subsidiaries, parent companies,  
3 other corporate affiliates, and assigns, and all of their owners, shareholders, members, officers,  
4 directors, exempt employees, agents, servants, registered representatives, attorneys, insurers,  
5 successors and assigns, and any other persons acting by, through, under or in concert with any of  
6 them. The Released Parties does not include Constellation Brands U.S. Operations Inc., solely with  
7 regard to the claims brought against it by the putative class in the pending action of Gregoria Cruz  
8 v. Constellation Brands U.S. Operations, Inc., pending in the California Superior Court, County of  
9 San Joaquin, Case No. STK-CV-UDE-2022-520.

10 b. The “Released Class Claims” are defined as All Settlement Class  
11 Members on behalf of themselves and their respective former and present representatives, agents,  
12 attorneys, heirs, administrators, successors and assigns release the Released Parties from any and  
13 all claims, debts, liabilities, demands, obligations, penalties, premium pay, guarantees, costs,  
14 expenses, attorney’s fees, damages, restitution, actions or causes of action of whatever kind or  
15 nature, contingent or accrued, and irrespective of theory of recovery, that were or could have been  
16 brought based on the facts or claims alleged in any version of the complaints filed in the Action or  
17 PAGA Notices, arising during the Class Period, except for claims for PAGA penalties which are  
18 separately released herein below. The released claims include, but are not limited to, claims for  
19 failure to pay sick time pay at the correct rate, failure to provide meal periods, failure to authorize  
20 and permit rest periods, short/late meal and rest periods, failure to relieve of all duties during meal  
21 and rest periods, failure to pay or properly compensate meal or rest break premiums, failure to  
22 furnish accurate wage statements, failure to pay final wages upon separation of employment, claims  
23 related to payment of wages based on failure to properly calculate the regular rate of pay, failure to  
24 reimburse business expenses, claims derivative and/or related to these claims, liquidated damages,  
25 conversion of wages, and claims under the UCL (Business and Professions Code Section 17200 et  
26 seq.) arising from the Labor Code violations released herein. This release excludes claims brought  
27 against Constellation Brands U.S. Operations, Inc. by the putative class in the pending action of  
28

1 Gregoria Cruz v. Constellation Brands U.S. Operations, pending in the California Superior Court,  
2 County of San Joaquin, Case No. STK-CV-UDE-2022-5208.

3 c. The “PAGA Members” are defined as all current and former non-  
4 exempt employees of Defendant in the state of California at any time during the PAGA Period.

5 d. The “Released PAGA Claims” are defined as All PAGA Members,  
6 on behalf of themselves and their respective former and present representatives, agents, attorneys,  
7 heirs, administrators, successors, and assigns and the State of California are deemed to release, the  
8 Released Parties from all claims for penalties under PAGA during the PAGA Period that were or  
9 could have been alleged in the Action based on the facts or claims alleged in any version of the  
10 complaint or enumerated in the LWDA Letter irrespective of the underlying theory of recovery  
11 supporting the claim for PAGA penalties. This release excludes claims brought against  
12 Constellation Brands U.S. Operations, Inc. by the putative class in the pending action of Georgia  
13 Cruz v. Constellation Brands U.S. Operations, pending in the California Superior Court, County of  
14 San Joaquin, Case No. STK-CV-UDE-2022-5208.

15 5. Class Counsel are awarded attorneys’ fees in the amount of Eight Hundred  
16 Sixty-Eight Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents (\$868,333.33)  
17 comprised of attorneys’ fees in the amount of Eight Hundred Thirty-Three Dollars and Three  
18 Hundred Thirty-Three Dollars and Thirty-Three Cents (\$833,333.33)(“Attorneys’ Fees”) and  
19 litigation expenses in the amount of litigation expenses in the amount of Thirty-Five Thousand  
20 Dollars and Zero Cents (\$35,000.00). Class Counsel shall not seek or obtain any other compensation  
21 or reimbursement from Defendant, Plaintiff, or members of the Class.

22 6. The payment of the Service Award to the Plaintiff in the amount of  
23 \$12,500.00 is approved.

24 7. The payment of \$12,700.00 to the Administrator for Settlement  
25 Administration Expenses is approved.

26 8. The PAGA Settlement Amount of \$100,000.00 is hereby approved as fair,  
27 reasonable, adequate, and adequately protects the interests of the public and the LWDA. Further,  
28

1 the Court finds that Plaintiff and Class Counsel negotiated the PAGA Settlement Amount at arms-  
2 length, absent of any fraud or collusion.

3           9. Final Judgment is hereby entered in this action. The Final Judgment shall  
4 bind each Settlement Class Member.

5           10. Final Judgment shall also bind Plaintiff, acting on behalf of the State of  
6 California and all Aggrieved Employees, pursuant to the California Private Attorneys' General Act  
7 ("PAGA").

8           11. The Court further finds and determines that Class Counsel satisfied California  
9 Labor Code § 2699(1)(2) by giving the LWDA notice of the proposed Settlement of claims arising  
10 under the Private Attorney General Act ("PAGA") on November 1, 2023, and again on March 26,  
11 2024.

12           12. The Court orders Class Counsel to comply with California Labor Code §  
13 2699(1)(3) by providing the LWDA a copy of this order within ten (10) calendar days of the Court's  
14 entry of this Order.

15           13. The Agreement is not an admission by Defendants, nor is this Final Approval  
16 Order and Judgment, a finding of the validity of any claims in the Action or of any wrongdoing by  
17 Defendants. Neither this Final Approval Order, the Settlement, nor any document referred to herein,  
18 nor any action taken to carry out the Settlement is, may be construed as, or may be used as an  
19 admission by or against Defendant of any fault, wrongdoing, or liability whatsoever. The entering  
20 into or carrying out of the Agreement, and any negotiations or proceedings related thereto, shall not  
21 in any event be construed as, or deemed to be evidence of, an admission or concession with regard  
22 to the denials or defenses by Defendants and shall not be offered in evidence in any action or  
23 proceeding against Defendants in any court, administrative agency or other tribunal for any purpose  
24 as an admission whatsoever other than to enforce the provisions of this Final Approval Order and  
25 Judgment, the Settlement, or any related agreement or release. Notwithstanding these restrictions,  
26 any of the Parties may file in the Action or in any other proceeding this Final Approval Order and  
27 Judgment, the Agreement, or any other papers and records on file in the Action as evidence of the

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1 Settlement to support a defense of res judicata, collateral estoppel, release, or other theory of claim  
2 or issue preclusion or similar defense as to the claims being released by the Settlement.

3           14. Notice of entry of this Final Approval Order and Judgment shall be given to  
4 Class Counsel on behalf of Plaintiff and all Class Members. It shall not be necessary to send notice  
5 of entry of this Final Approval Order and Judgment to individual Class Members and the Final  
6 Approval Order and Judgment shall be posted on Administrator's website as indicated in the Class  
7 Notice.

8           15. After entry of Final Judgment, the Court shall retain jurisdiction to construe,  
9 interpret, implement, and enforce the Settlement, to hear and resolve any contested challenge to a  
10 claim for settlement benefits, and to supervise and adjudicate any dispute arising from or in  
11 connection with the distribution of settlement benefits.

12           16. If the Settlement does not become final and effective in accordance with the  
13 terms of the Settlement, resulting in the return and/or retention of the Gross Settlement Amount to  
14 Defendant consistent with the terms of the Settlement, then this Final Approval Order and Judgment,  
15 and all orders entered in connection herewith shall be rendered null and void and shall be vacated.

16  
17 **IT IS SO ORDERED.**

18 DATED: *4-23-* . 2024

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20   
21 ~~Hon. Cynthia P. Smith~~ *SCOTT YOUNG*  
22 JUDGE OF THE SUPERIOR COURT  
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