

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

In re

FOX ORTEGA ENTERPRISES, INC.,
dba PREMIER CRU,

Debtor.

Case No. 16-40050-WJL

Chapter 7

Frequently Asked Questions

1. Class Distribution Check

The check that you received from the trustee is based on calculations and proposed distribution to class members sent to you in early March 2017. Not all purchases could be included in our class settlement, and therefore, the check that you received shows a smaller claim amount than your overall claim. That indicates that some of your purchased bottles were not included in the class. The distinction drawn between claims within and without the class was this: If a customer purchased a bottle of wine that was (a) received by the debtor, (b) held by the debtor in its warehouse as of the date of bankruptcy, and (c) allocated to that customer in the debtor's internal records, then the customer's claim for purchase of that bottle would be included in the class. Those sort of claims carried the strongest legal argument for constructive ownership, and therefore were the claims on which we were able to reach a settlement with the trustee. To the extent that purchases made by you were not included in the class, those bottles may have never been received by the debtor, or were received and designated, or shipped out, to fulfill someone's else's order.

In addition to your class distribution, however, if you timely filed a claim in the bankruptcy case, you may receive a distribution from the estate for the unallocated bottles, outside of the class settlement. The amount and timing of any distribution from the bankruptcy estate is not yet determinable, and not a matter in which we, as class counsel, have a role.

2. Effect of Uncashed Checks

Pursuant to the Stipulation of Settlement, any checks paid to Class members pursuant to this Stipulation shall remain valid and negotiable for ninety (90) days from the date of their issuance, and shall thereafter automatically be cancelled if not cashed within that time. At that time, the Class member's right to payment will be deemed null and void and of no further force and effect although the individual will remain a Class member bound by the judgment entered in the case.