# If you were a Manhattan Beer customer between February 18, 2016 and May 13, 2024, you could get a payment from a class action settlement.

## A federal court authorized this Notice. This is <u>not</u> a solicitation from a lawyer.

A settlement has been reached in a proposed class action against Manhattan Beer Distributors, LLC ("Manhattan Beer"). The case alleges that Manhattan Beer improperly invoiced customers for a cardboard mother carton deposit in violation of both New York common law and consumer protection laws. Manhattan Beer denies these allegations and any wrongdoing and maintains that its conduct was at all times lawful.

You are included in the Settlement if you were charged a \$0.10 deposit for cardboard mother cartons at any time between February 18, 2016 and May 13, 2024 and were not fully credited for all such deposits via redemption or refund.

The Court did not decide in favor of Plaintiffs or Defendants. Both sides believe they would have won at trial, but there was no trial. Instead, the parties agreed to settle the case to avoid the uncertainty, risks, delay, and expense of further litigation. The parties' settlement agreement provides for payments to current and former Manhattan Beer customers who qualify. The parties believe the settlement is fair, reasonable, and in the best interests of the Class.

Read this Notice carefully, as your legal rights are affected. These rights and options—and the deadlines to exercise them—are explained in this Notice.

YOUR RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
IF YOU DO NOTHING	If the Court approves the settlement, you will be mailed a settlement check and you will be legally bound by the settlement. YOU DO NOT NEED TO DO ANYTHING TO RECEIVE YOUR CHECK.
IF YOU EXCLUDE YOURSELF	You are choosing not to be part of this case and you will not receive any payment. This is the only option that allows you to participate in another case against Manhattan Beer regarding the legal claims brought in this case.
IF YOU OBJECT	You must write to the Court about why you object to the settlement and you may attend a hearing if you wish.

## **IMPORTANT BACKGROUND INFORMATION**

- This lawsuit was brought by current and former Manhattan Beer customers on behalf of themselves and other customers to seek repayment of allegedly deceptive and unlawful \$0.10 deposits for cardboard mother cartons that were not redeemed or refunded.
- Manhattan Beer denies any wrongdoing and denies that any deposits charged to customers were deceptive or otherwise unlawful.
- The court overseeing this lawsuit is the United States District Court for the Southern District of New York. United States District Judge Cathy Seibel and Magistrate Judge Andrew E. Krause are the judges assigned to the case. The case name is *Cap 111 Enterprises LLC et al. v. Manhattan Beer Distributors, LLC et al.*, and the case number is 7:22-cv-01408-CS-AEK.
- The Court must approve the settlement. <u>Payment will be made only if the Court approves the settlement</u>. Please be patient as the court approval process takes time.
- The court will hold a hearing about the fairness of the settlement on April 24, 2025 ("the Fairness Hearing").

#### **BASIC INFORMATION**

#### WHAT IS A CLASS ACTION AND WHO IS INVOLVED?

In a class action, one or more people called Class Representatives sue on behalf of other people who are believed to have similar claims. The people together are a "Class" or "Class Members." The Class Representative who sued and the Class Members are called the Plaintiffs. The company they sued is called the Defendant. One court resolves the issues for everyone in the Class.

The Class here consists of all individuals who were customers of Manhattan Beer and paid \$0.10 deposits for cardboard mother cartons that were not redeemed or refunded at any time between February 18, 2016 and May 13, 2024.

## WHY DID I GET THIS NOTICE?

Manhattan Beer's records show that you were a Manhattan Beer customer at some point between February 18, 2016 and May 13, 2024 and paid at least one \$0.10 deposit for cardboard mother cartons that was not redeemed or refunded. You were sent this Notice because you have the right to know about the proposed settlement of this lawsuit and about your options before the Court decides whether to approve the settlement. If the Court approves the settlement, payments will be mailed to everyone who does not exclude themselves. This notice explains the lawsuit, the settlement, your legal rights, and what benefits the settlement will provide.

## WHO IS IN THE SETTLEMENT?

## HOW DO I KNOW IF I AM PART OF THE SETTLEMENT?

Manhattan Beer's records show that you were a Manhattan Beer customer at some point between February 18, 2016 and May 13, 2024 and paid at least one \$0.10 deposit for cardboard mother cartons that was not redeemed or refunded. If you were not a Manhattan Beer customer during that period, you are not part of the Class and your rights are not affected by this lawsuit or the settlement.

## THE CLAIMS IN THE LAWSUIT

#### WHAT IS THIS LAWSUIT ABOUT AND WHY IS THERE A SETTLEMENT?

The case challenges Manhattan Beer's deposit practices. In particular, the lawsuit claims that Manhattan Beer violated the common law and New York's state consumer protection laws by not adequately disclosing that the company was charging its customers a \$0.10 deposit for cardboard mother cartons that contain beer or other beverages.

Manhattan Beer denies these allegations and any wrongdoing and maintains that its deposit practices were at all times lawful. The Settlement is not an admission of, and does not establish any, wrongdoing by Manhattan Beer.

More information about the lawsuit can be found in the "Court Documents" section of the Settlement website at MBDCardboardSettlement.com.

## THE SETTLEMENT BENEFITS – WHAT YOU GET

#### WHAT DOES THE SETTLEMENT PROVIDE?

If you do not exclude yourself and the Court approves the settlement, the settlement funds will be paid to eligible persons based on the amount of cardboard mother carton deposits that were not redeemed or refunded for each Class Member between February 18, 2016 and May 13, 2024. The average estimated payment is approximately \$117, though any given Class Member's payment could be more or less. All eligible Class Members that do not exclude themselves from the settlement will be paid a minimum of \$25.00.

## **HOW CAN I GET A PAYMENT?**

You do not need to do anything to receive a payment under the settlement, your check will be automatically mailed to you if the Judge approves the settlement. You will have 90 days to cash any check. After 90 days, the check will be void and you will not have a right to a payment.

# UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK <u>WHEN WILL I RECEIVE MY PAYMENT?</u>

Before any payments can be made, the Court must first decide whether to approve the settlement after a fairness hearing to be held on April 24, 2025. If the Court approves the settlement and you haven't excluded yourself, then you will receive a check.

If your contact information changes, you must notify the Settlement Administrator of your new address immediately to ensure that you will receive your check by mail. The Settlement Administrator's contact information is below.

# WHAT AM I GIVING UP TO GET A PAYMENT AS A PART OF THE SETTLEMENT?

If you decide to stay in the Class and the Court approves the settlement, you will be releasing the Defendants and their related entities from all claims that were or could have been brought in this class action regarding \$0.10 cardboard mother carton deposits up to the date of May 13, 2024. This release will be binding on you even if you do not cash your check. The only way for you to be part of other litigation against Manhattan Beer that covers the above legal claims for the period between February 18, 2016 and May 13, 2024 is for you to exclude yourself.

## EXCLUDING YOURSELF FROM THE SETTLEMENT

# WHAT DOES EXCLUDING MYSELF FROM THE SETTLEMENT MEAN?

If you want to be excluded, then you must take steps to exclude yourself by submitting an "opt- out" statement to the Settlement Administrator by April 4, 2025. To be valid, your opt-out statement must include (1) your name, (2) your position at the company that is opting out, (3) the name of the company that is opting out, (4) company address, (5) your email address, (6) your phone number, (7) the company's taxpayer identification number, and (8) for each store or location opting out, provide the (a) business name, (b) brand names or "doing business as" names, (c) address, and (d) taxpayer identification number.

Opt-out statements must also represent that you have the proper authority at the company to exclude it from the settlement Class. To be valid, your opt-out statement must be returned to the Settlement Administrator by mail, email, or fax. If mailed, the statement must be postmarked on or before April 4, 2025. If sent by email or fax, the statement must be received by the Settlement Administrator by midnight on April 4, 2025. The Settlement Administrator's address, email address, phone and fax numbers are below:

## Manhattan Beer Settlement Administrator PO Box 1015 Port Washington, NY 11050 Tel: 516-461-2682 | Fax: 516-461-5278

#### Email: info@MBDCardboardSettlement.com

If you choose to exclude yourself from the settlement, then (1) you will not get any payment under this settlement and (2) you cannot object to the settlement. By excluding yourself from the settlement, you will not be legally bound by the settlement, and you keep your right to sue the Defendant at your own expense for the claims in this lawsuit if they are not too late under the applicable statute of limitations.

## **OBJECTING TO THE SETTLEMENT**

# **HOW CAN AN OBJECTION BE MADE?**

If you are a Class Member, you may object to the settlement. Any Class Member who wishes to present their objections to the settlement at the Fairness Hearing must first state their objections in writing according to the following procedures.

To be valid, your objection must be sent to the Settlement Administrator by mail, email, or fax. If mailed, the statement must be postmarked on or before April 4, 2025 If sent by email or fax, the statement must be received by the Settlement Administrator by midnight on April 4, 2025. The Settlement Administrator's address, email address, phone and fax numbers are below:

# UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK Manhattan Beer Settlement Administrator PO Box 1015 Port Washington, NY 11050 Tel: 516-461-2682 | Fax: 516-461-5278

#### Email: info@MBDCardboardSettlement.com

To be valid, any objection must be in writing and contain all of the following:

- 1. a reference to Cap 111 Enters., LLC et al. v. Manhattan Beer Distribs. et al., 7:22- cv-01408-CS-AEK (S.D.N.Y.);
- 2. the objector's full name, email address, telephone number, and position at the company that is objecting;
- 3. the company's address and taxpayer identification number;
- 4. a statement that the person filing the objection had the authority to object on the company's behalf;
- 5. a written statement of all reasons for the objection;
- 6. the name and contact information of any and all attorneys or persons representing, advising, or in any way assisting the objector in connection with the preparation or submission of the objection or who may profit from the pursuit of the objection;
- 7. a statement of whether the objector intends to appear at the Fairness Hearing, and;
- 8. only if the objector intends to appear at the Fairness Hearing through counsel, a statement identifying all attorneys representing the objector who will appear at the Fairness Hearing;

In addition, any objection written or submitted with the assistance of an attorney or persons representing, advising, or in any way assisting the objector in connection with the preparation or submission of the objection or who may profit from the pursuit of the objection must contain all of the following to be valid:

- 9. a written statement of any legal support for such objection;
- 10. copies of any papers, briefs, or other documents upon which the objection is based;
- 11. a list of all persons who will be called to testify in support of the objection, if any; and a detailed list of any other objections and any orders pertaining to the prior objections, the objector, or his or her counsel or other person who may profit from the pursuit of the objection referenced in this item submitted in any action in the previous five (5) years. If the Class Member or his or her counsel or other person who may profit from the class Member or his or her counsel or other person who may profit from the pursuit of the objected to any other class action settlement in the previous five (5) years, he, she, or it shall affirmatively state so in the written materials provided in connection with the objection.

Any objections that are not submitted on time or in accordance with the procedures in this notice will be waived. Any Class Member who fails to submit a timely and valid objection gives up their right to object to the settlement and will not be allowed to seek any review of the settlement, including an appeal.

You have the right to retain a lawyer at your own expense to present your objection. If you retain a lawyer to present an objection, your lawyer must file a notice of appearance with the Court and the Settlement Administrator no later than April 4, 2025, that states whether counsel intends to appear at the Fairness Hearing. An objection may be withdrawn at any time.

## <u>WHAT IS THE DIFFERENCE BETWEEN OBJECTING TO THE SETTLEMENT AND EXCLUDING</u> <u>YOURSELF FROM THE SETTLEMENT?</u>

Objecting is simply telling the Court that you do not like something in the settlement. Excluding yourself is telling the Court that you do not want to be part of the settlement. If you object to the settlement but the Court later approves the settlement, you will still be legally bound by the settlement and will still be mailed a settlement check. You cannot object to the settlement if you exclude yourself from the settlement.

#### THE LAWYERS REPRESENTING YOU

### WHO IS CLASS COUNSEL?

The Court has appointed Wittels McInturff Palikovic as Class Counsel to represent you and the other Class Members. Class Counsel are:

Steven L. Wittels J. Burkett McInturff Tiasha Palikovic Ethan D. Roman Tel: 914-775-8862 Email: case@wittelslaw.com

## HOW WILL THE LAWYERS BE PAID?

Class Counsel have worked for three years without pay or any guarantee of pay. In a class action, it is customary for the attorneys representing the class to request a legal fee in an amount equal to one-third of the settlement value to compensate them for the risks they took to enforce the rights of Class Members. Here, the settlement fund to be allocated to the Class of approximately 32,000 customers is \$5,750,000, and Class Counsel will ask the Court to approve an attorney's fee equal to one-third of this amount (*i.e.*, \$1,916,666). Although Manhattan Beer denies that it did anything wrong, the parties also agree that Manhattan Beer enhanced and improved its invoicing practices subsequent to the commencement of the litigation to further ensure that all customers know about the \$0.10 cardboard mother carton deposit. With the assistance of the mediator, the parties agreed to value such enhancements and improvements at not less than \$2,600,000. Class Counsel is not seeking payment for the additional Class benefit. Class Counsel also intends to request reimbursement from the settlement fund for the expenses they advanced in bringing and prosecuting this litigation.

## WHAT IS A SERVICE AWARD?

Class Counsel will also ask the Court to authorize that service awards be paid from the settlement fund to the Class Representatives who contributed in a significant way by bringing this action and providing important information used to achieve the settlement. The service awards are also in recognition of the risks these individuals took in coming forward publicly. Class Counsel will request that the Court approve service awards totaling no more than \$25,000 to be distributed from the settlement fund.

## WHO IS THE SETTLEMENT ADMINISTRATOR?

The parties have hired Arden Claims Service LLC to provide this notice to you and to administer the settlement payments for a fee of up to \$115,000 to be paid out of the total settlement fund. Any fees over \$115,000, and agreed upon by the parties, will be paid separately by the settlement fund.

#### WHAT'S A FAIRNESS HEARING, AND WHEN AND WHERE IS IT?

The Court will hold an in-person hearing to decide whether to approve the settlement on April 24, 2025, at 10:15 a.m. EST before the Honorable Cathy Seibel, at the Charles L. Brieant Jr. United States Courthouse, 300 Quarropas St., White Plains, NY 10601. You do not have to appear at the Fairness Hearing to receive your settlement payment. At the hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. After the hearing, the Court will decide whether to approve the settlement. We do not know how long it will take for the Court to make a decision.

#### **DO I HAVE TO ATTEND THE FAIRNESS HEARING?**

No. Class Counsel will represent you at the hearing. Although you are welcome to attend the Fairness Hearing, you do not need to attend to receive payment. Likewise, if you submit a valid objection, you may, but you are not required to, attend the Fairness Hearing. As long as you send a valid objection that is on time, the Court will consider it. You may also pay your own lawyer to attend the Fairness Hearing, but it is not necessary.

#### UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

If you wish to speak at the Fairness Hearing, you may ask the Court for permission to do so. In order to speak at the hearing, you must send a letter to the Court, labeled "Notice of Intention to Appear in *Cap 111 Enters. et al. v. Manhattan Beer Distribs. et al.*, 7:22-cv-01408-CS-AEK." Be sure to include your name, address, phone number, and your signature. This Notice must be sent to the Clerk of Court, United States District Court, Southern District of New York, 300 Quarropas St., New York, NY 10601 and must be postmarked no later than April 4, 2025.

#### **GETTING MORE INFORMATION**

#### HOW DO I GET MORE INFORMATION ABOUT THE SETTLEMENT?

To obtain more information, you can visit MBDCardboardSettlement.com; contact the Settlement Administrator at (516) 461-2682; or you may contact Class Counsel J. Burkett McInturff or Ethan D. Roman at <u>case@wittelslaw.com</u> or (914) 775-8862. You may also get a copy of the full settlement agreement by email or mail if you request it. You can see the court file for *Cap 111 Enters. et al. v. Manhattan Beer Distribs. et al.*, 7:22-cv-01408-CS-AEK, through the court's Public Access to Court Electronic Records (PACER) system at <u>https://pacer.uscourts.gov/.</u>

#### PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR MANHATTAN BEER WITH INQUIRIES ABOUT THE SETTLEMENT.