

United States District Court for the Northern District of California
Broomfield v. Craft Brew Alliance, Inc., Case No. 5:17-cv-01027-BLF

If You Purchased Kona Beer, You May Be Eligible to Receive Payment from a Class Action Settlement

A federal court authorized this notice. This is not a solicitation from a lawyer.

- A Settlement has been reached in a class action lawsuit. Purchasers of Kona Brewing Company Beer (“Kona Beer”) sued Craft Brew Alliance, Inc. (“CBA”), alleging statutory consumer protection and common law claims based on representations that the Kona Beers are brewed in Hawaii when Plaintiffs claim they are not. CBA denies the allegations in the lawsuit. The Court has not decided that CBA did anything wrong. The Parties agreed to the Settlement to resolve the lawsuit. For instruction on how to obtain the Settlement Agreement, please see question 16.
- This Notice explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them. Judge Beth Labson Freeman of the United States District Court for the Northern District of California is overseeing the Settlement.
- You are eligible to participate in this Settlement if you purchased any 4-pack, 6-pack, 12-pack, or 24-pack variety of Kona Beer from February 28, 2013 through June 14, 2019. To receive payment under the Settlement, you must submit a Claim Form. Settlement Class Members who do not exclude themselves from the Settlement will be bound by the Settlement even if they do not submit Claim Forms.
- For Settlement Class Members who submit valid Claim Forms *without* Proof of Purchase, CBA will pay up to \$10, depending on the number of Kona Beers purchased from February 28, 2013 through June 14, 2019.
- For Settlement Class Members who submit valid Claim Forms *with* Proof of Purchase, CBA will pay up to \$20, depending on the number of Kona Beers purchased from February 28, 2013 through June 14, 2019.
- The Parties have further agreed that CBA will pay the costs to administer this Settlement, plus reasonable attorneys’ fees and costs, and a payment to the two Plaintiffs.

**Please read this Notice carefully and in its entirety.
Your rights may be affected by the proposed Settlement of this lawsuit,
and you have a choice to make now about how to act:**

**Questions? Visit www.konabeersettlement.com
or contact the Settlement Administrator at 1-888-332-0551**

YOUR LEGAL RIGHTS AND OPTIONS

<p align="center">SUBMIT A CLAIM FORM BY OCTOBER 7, 2019</p>	<p>This is the only way to receive a monetary payment from the Settlement. By remaining in the Settlement, whether or not you submit a Claim Form, you will give up any rights to sue CBA separately about the same legal claims in this lawsuit.</p> <p>Claim Forms are available at www.konabeersettlement.com or by calling 1-888-332-0551. For more details about the claim process, please see questions 5, 6 and 7 below.</p>
<p align="center">EXCLUDE YOURSELF FROM THE CLASS BY OCTOBER 7, 2019</p>	<p>If you request to be excluded from the Settlement, you will not be eligible to receive the monetary payment, but you will keep your right to sue CBA about the same legal claims in this lawsuit. Requests for Exclusion must be submitted by October 7, 2019 on www.konabeersettlement.com or mailed to <i>Broomfield v. Craft Brew Alliance, Inc.</i> c/o CPT Group, Inc. 50 Corporate Park, Irvine, CA 92606. For more details about excluding yourself from the Settlement, please see questions 8 and 10 below.</p>
<p align="center">OBJECT BY OCTOBER 7, 2019</p>	<p>You may write to the Court about why you do, or do not, like the Settlement. You must remain in the Settlement (i.e., not exclude yourself) to object to the Settlement. Objections must be submitted to the Court by October 7, 2019. For more details about objecting to the Settlement, please see questions 9 and 10 below.</p>
<p align="center">APPEAR IN THE LAWSUIT OR ATTEND THE FINAL APPROVAL HEARING ON DECEMBER 19, 2019 AT 1:30 P.M.</p>	<p>You may ask to speak in Court about the fairness of the Settlement. Written notice of your intent to appear at the final approval hearing in the Lawsuit must be filed with your Objection and submitted to the Court by October 7, 2019. You may enter your appearance in Court through an attorney at your own expense if you so desire. For more details about appearing in this lawsuit or attending the final approval hearing, please see questions 9, 13, 14 and 15 below.</p>
<p align="center">DO NOTHING</p>	<p>By doing nothing, you will <i>not</i> receive any monetary payment but you will also give up any rights to sue CBA separately about the same legal claims in this lawsuit.</p>

- Your rights and options – **and the deadlines to exercise them** – are further explained in this Notice.
- The Court in charge of this case still has to decide whether to approve the Settlement. The Settlement Benefit (*i.e.*, the monetary payments described herein) will be made available if the Court approves the Settlement, and after any appeals are resolved, if they are resolved in favor of settlement approval.

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- If you have any questions, please read on and/or visit www.konabeersettlement.com or contact Class Counsel or the Settlement Administrator listed in question 16 below.

BASIC INFORMATION

1. Why did I get this notice?

If you purchased any 4-pack, 6-pack, 12-pack, or 24-pack variety of Kona Beer from February 28, 2013 through June 14, 2019, you may be a Class Member and have a right to know about the Settlement and your options. If you have received word of this Notice by e-mail, you have been identified from available records as a possible purchaser of the Kona Beer at issue in the lawsuit. You also may have received this Notice because you requested more information after reading the Settlement Website. If the Court approves the Settlement, and if objections and all appeals are resolved in favor of settlement approval, a settlement administrator approved by the Court will oversee the distribution of the Settlement Benefits that the proposed Settlement allows. You can follow the progress of the Settlement on the settlement website, www.konabeersettlement.com.

2. What is this class action lawsuit about?

The persons who sued are called the Plaintiffs, and the company they sued, Craft Brew Alliance, Inc., is called the Defendant or “CBA.” Plaintiffs and CBA are collectively referred to as “the Parties.” Plaintiffs brought this lawsuit on behalf of all other consumers who similarly purchased Kona Beers during the time period of February 28, 2013 through June 14, 2019 (“Class Members”). This lawsuit alleges that Kona Beers were deceptively advertised as being brewed in Hawaii when they are actually brewed in the continental United States. CBA denies the allegations and has included on all Kona labels the mainland locations where Kona Beers are brewed throughout the time period. The Court has not determined which side is right. Rather, the Parties have agreed to settle the lawsuit to avoid the uncertainties, expenses and expenditure of resources associated with ongoing litigation.

3. Am I part of the Class?

If you purchased any 4-pack, 6-pack, 12-pack, or 24-pack variety of Kona Beer from February 28, 2013 through June 14, 2019, you may be a Class Member.

Eligible varieties of Kona Beers include Longboard Island Lager, Hanalei IPA, Castaway IPA, Big Wave Golden Ale, Lemongrass Luau, Wailua Wheat, Fire Rock Pale Ale, Pipeline Porter, Lavaman Red Ale, Koko Brown Ale, Kua Bay IPA, Gold Cliff IPA, Kanaha Blonde Ale, Liquid Aloha Variety Pack, Island Hopper Variety Pack, Happy Mahalo Variety Pack, and Wave Rider Tandem Pack. Kona Beers that are sold without packaging (i.e., loose bottles, loose cans, and draft beer) are not included.

You are **not** a member of the Class if: (a) you have timely and properly excluded yourself from the Settlement, explained in Question 8 below, (b) you are a retailer or distributor of Kona Beer or purchased Kona Beer for the purpose of re-selling the beer, (c) you are an employee of CBA

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or the law firms representing the Parties, or (d) you are governmental entity or part of the Court's immediate family or the Court's staff.

THE SETTLEMENT BENEFITS

4. What does the Settlement provide?

The Settlement provides the following benefits: (1) monetary compensation to Class Members who submit valid and timely Claim Forms; and (2) injunctive relief whereby CBA will make certain changes to its business practices with respect to Kona Beers. Each is summarized below.

Monetary Relief. The Settlement allows Class Members who submit timely and valid Claim Forms, *without* proof of purchase, to recover up to \$10 per household, depending on the number of eligible Kona Beers purchased. Class Members who submit timely and valid Claim Forms, *with* proof of purchase, can recover up to \$20 per household, depending on the number of eligible Kona Beers purchased. The following payments can be claimed for each eligible Kona Beer:

- i. 4-pack Kona Beers: \$1.25 per unit.
- ii. 6-pack Kona Beers: \$1.25 per unit.
- iii. 12-pack Kona Beers: \$2.00 per unit.
- iv. 24-pack Kona Beers: \$2.75 per unit

Injunctive Relief. Under the Settlement, CBA has implemented as a result of this lawsuit, or will implement, the following practices with respect to the Kona Beers:

i. To the extent permitted by law and/or regulation, CBA shall include a conspicuous statement on all consumer-facing Kona Beer packaging on a panel other than the bottom of the package that lists each location where the Kona Beers are brewed or lists the location or locations at which a particular Kona Beer is brewed, for a minimum of four years after the Effective Date.

ii. CBA's General Counsel or his designee will conduct yearly meetings with CBA's marketing department to review and comply with the injunctive terms of this Settlement, for a minimum of four years after the Effective Date of the Settlement.

CBA will pay the costs to administer this Settlement, reasonable attorneys' fees, costs and expenses, and a payment to the Plaintiffs (see question 12 below).

A more detailed description of the foregoing can also be found in the Settlement Agreement posted on the Court Documents tab on the website: www.konabeersettlement.com.

5. When will I get my monetary payment?

The hearing to consider the fairness of the Settlement is scheduled for December 19, 2019 at 1:30 p.m. If the Court approves the Settlement, and you submit a Claim Form that is approved by the Settlement Administrator, you will receive payment within approximately 30 days after the Settlement has been finally approved and/or after any appeals process is complete approving the Settlement. The payment will be made in the form of a check or via electronic payment,

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or contact the Settlement Administrator at 1-888-332-0551

whichever you prefer.

HOW TO GET THE SETTLEMENT BENEFITS

6. How do I get my monetary payment?

If you are a Class Member and want to receive a payment under the Settlement, you must complete and submit a Claim Form. Claims Forms can be found and submitted through the Settlement Website: www.konabeersettlement.com by no later than October 7, 2019 or they can be mailed and postmarked to *Broomfield v. Craft Brew Alliance, Inc.* c/o CPT Group, Inc. 50 Corporate Park, Irvine, CA 92606 by no later than October 7, 2019.

To submit a Claim Form on-line or to request a paper copy, go to www.konabeersettlement.com or call toll free, 1-888-332-0551.

YOUR RIGHTS AND OPTIONS

7. What happens if I do nothing at all?

If you do nothing, then you will remain in the Class and will not receive any payment from this Settlement. If the Court approves the Settlement, you will be bound by its terms, you will no longer have the ability to sue with respect to the claims being resolved by the Settlement, and your claims will be released and dismissed.

The Settlement Agreement describes the released claims in more detail, so please read it carefully. If you have any questions, you can contact the lawyers listed in question 16 for free to discuss, or you can talk to another lawyer of your own choosing if you have questions about what this means.

8. How do I exclude myself from the Settlement?

If you exclude yourself from the Settlement – which is sometimes called “opting-out” – you will not get any money from the Settlement. However, you may then be able to separately sue or continue to sue CBA for the legal claims that are the subject of the lawsuit.

To exclude yourself from the Settlement, you must submit a valid and timely Request for Exclusion to the Settlement Administrator. In order to be valid, your Request for Exclusion must state that you “want to be excluded from the Settlement in *Broomfield v. Craft Brew Alliance, Inc.*, Case No. 5:17-cv-01027-BLF” or words to similar effect that make clear your intention to be excluded from the Settlement. Your written Request for Exclusion must also include your name, current address, and telephone number. The request must also be signed and dated by you. In order to be timely, your request for exclusion must be submitted by October 7, 2019 at www.konabeersettlement.com or by U.S. Mail, postmarked on or before that date.

9. How do I object to the Settlement?

If you are a Class Member, you can object to the Settlement if you do not think it is fair. The Court will consider your views. However, you cannot ask the Court to order a different settlement; the Court can only approve or reject the Settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If this is what you want to

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happen, you must object.

To object, you must submit to the Court a written objection entitled “Objection to Class Settlement in *Broomfield v. Craft Brew Alliance, Inc.*, No. 5:17-cv-01027-BLF” that identifies all the reasons for your objections and any legal and factual support for those reasons. Your written objection must also include (1) your name, address, telephone number, email address if available, and if represented by counsel, the foregoing information for your counsel; (2) whether you or your counsel intend on appearing at the Final Approval Hearing; (3) whether the objection applies only to you, to a specific subset of the Class, or the entire Class; (4) information/documents showing that you are a Class Member (i.e. Proof of Purchase or a verification under penalty of perjury as to purchase of Kona Beer during the Class Period).

You must submit your written objection to the Court, either by (1) mailing them to the Class Action Clerk, United States District Court for the Northern District of California, 280 South 1st Street, Courtroom 3, San Jose, CA 95113, or (2) filing them in person at any location of the United States District Court for the Northern District of California or via the ECF electronic filing system.

The objection must be submitted by October 7, 2019.

10. What is the difference between objecting and excluding myself from the Settlement?

Objecting means telling the Court that you do not like something about the Settlement. You can object only if you stay in the Class. Excluding yourself from the Settlement means that you do not want to be part of the Class. If you exclude yourself, then you have no basis to object to the Settlement.

THE LAWYERS REPRESENTING YOU

11. Do I have a lawyer in this case?

The Court appointed the law firms of Faruqi & Faruqi, LLP and the Wand Law Firm, P.C. to represent Class Members as “Class Counsel.” Class Counsel believe, after conducting an extensive investigation, that the Settlement is fair, reasonable, and in the best interests of the Class Members. You will not be charged for these lawyers. If you want to be represented by a different lawyer in this case, you may hire one at your own expense. If you have any questions about the Settlement, you can contact Class Counsel at the contact information listed in Question 16.

12. How will the lawyers be paid?

In addition to the monetary benefit to be paid to the Class Members, CBA has agreed to pay Class Counsel’s fees and costs in an amount to be determined by the Court not to exceed \$2,900,000. The Court may award less than this amount. Any fees, costs, and expenses that are awarded to Class Counsel will be paid by CBA separately and in addition to the monetary

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benefits to Class Members. Also, subject to approval by the Court, CBA has agreed to pay \$5,000 to each of the two Plaintiffs (“Service Awards”), in recognition of their efforts on behalf of the Class.

THE COURT’S FINAL APPROVAL HEARING FOR THE SETTLEMENT

13. Where and when will the Court decide whether to approve the Settlement?

The Court will hold the Final Approval at 1:30 p.m. on December 19, 2019 in Courtroom 3 at the Robert F. Peckham Federal Building, located at 280 South 1st Street, Courtroom 3 San Jose, CA 95113. The purpose of the hearing will be for the Court to determine whether to approve the Settlement as fair, reasonable, adequate, and in the best interests of the Class; to consider Class Counsel’s request for attorneys’ fees and costs; and to consider the request for the Services Awards to the Plaintiffs. At that hearing, the Court will be available to hear any Objections and arguments concerning the fairness of the Settlement.

The hearing may be postponed to a different date or time without notice, so please check www.konabeersettlement.com or call 1-888-332-0551 from time to time. If, however, you timely objected to the Settlement and advised the Court that you intend to appear and speak at the Final Approval Hearing, you will receive notice of any change in the time and date of such hearing.

14. Do I have to come to the Final Approval Hearing?

No. You do not need to attend the Final Approval Hearing in order to receive payment under the Settlement. Class Counsel will answer any questions the Court may have on behalf of the Class Members. But, you are welcome to attend the Final Approval Hearing at your own expense. If you submit an Objection, you do not have to come to Court to talk about it. If you submitted your Objection on time, the Court will consider it. You may also pay to have another lawyer attend on your behalf, but that is not required.

15. May I speak at the Final Approval Hearing?

Yes. You, or any lawyer you retain, may ask the Court for permission to speak at the Final Approval Hearing. To do so, you must include in your Objection to the Settlement a statement saying that it is your intent to appear at the Final Approval Hearing. Your Objection and notice of intent to appear must be submitted to the Court and postmarked no later than October 7, 2019.

GETTING MORE INFORMATION

16. Are more details available?

Yes. This Notice summarizes the Settlement. For the precise terms and conditions of the Settlement, please see the Settlement Agreement available at www.konabeersettlement.com, by contacting Class Counsel at the information listed below, or by accessing the Court docket in this case, for a fee, through the Court’s Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>, or by visiting the office of the Clerk of the Court for the United States District Court for the Northern District of California, 280 South 1st Street,

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Courtroom 3 San Jose, CA 95113, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays. You can also call the Settlement Administrator at 1-888-332-0551.

Class Counsel Contact Information

FARUQI & FARUQI, LLP
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Telephone: (310) 590-4503

Email: konabeersettlement@gmail.com

**PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE
TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS**

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