# **Kraft Heinz FLSA Settlement**

P.O. Box 2009

Chanhassen, MN 55317-2009

COURT-AUTHORIZED NOTICE

# NOTICE OF CLASS ACTION AND PROPOSED SETTLEMENT

If you worked as an hourly-paid, non-exempt employee of Kraft Heinz Foods Company between the dates of September 22, 2019 and the date the Court enters final approval of the settlement, you may be entitled to benefits under this settlement.

#### THIS NOTICE AFFECTS YOUR LEGAL RIGHTS. PLEASE READ IT CAREFULLY.

This is not a solicitation from a lawyer. A Federal Court has authorized this Notice.

- **TO:** Current and former hourly-paid, non-exempt employees of Kraft Heinz Foods Company who were employed between September 22, 2019 and the date the Court enters final approval of the settlement.
- **RE:** Settlement of Claims for Alleged Unlawful Pay Practices
  - Dakota Grede and Steve Moffett (the "Lead Named Plaintiffs"), and Patricia Montanez, Melinda Wright, Devin Crooms, Steve Brandt, Clyde Bell, LaGregory Bonner, Brian Beranek, Krystal Buckley, Ashley Merry, David Valykeo, Latrecia Adams, JoAnn Wyble, and Melissa Farmer (the "Named Plaintiffs"), filed a lawsuit against Kraft Heinz Foods Company ("Kraft Heinz") alleging violations of the Fair Labor Standards Act ("FLSA") and various State laws in the United States District Court for the Eastern District of Wisconsin (Milwaukee Division), currently captioned as *Dakota Grede, et. al. v. Kraft Heinz Foods Company, LLC*, Case No. 22-cv-1103 (the "Lawsuit").
  - In the Lawsuit, the Lead Named Plaintiffs and Named Plaintiffs alleged that Kraft Heinz failed: (i) to include all pre-shift and post-shift time spent engaged in donning and doffing as compensable work time; (ii) to accurately pay for all time worked; and (iii) to include all forms of non-discretionary compensation, such as monetary bonuses, incentives, awards, and/or other rewards and payments, in their employees' regular rates of pay for overtime calculation purposes.
  - Kraft Heinz denies the allegations but, to avoid costly and time-consuming litigation, entered into a Settlement Agreement (the "Settlement") with the Lead Named Plaintiffs and the Named Plaintiffs.
  - For settlement purposes only, the Court certified the Lawsuit as a class action under Fed. R. Civ. P. 23 on behalf of all hourly-paid, non-exempt employees who worked for Kraft Heinz between September 22, 2019 and the date the Court enters final approval of the settlement in the following States: Arkansas; California; Delaware; Florida; Iowa; Illinois; Indiana; Michigan; Minnesota; Missouri; New York; Ohio; Oregon; South Carolina; Texas; Virginia; and Wisconsin (hereinafter simply and respectively, "the Class").
  - This Notice is to inform you about the status of the Lawsuit, including your potential right to receive a share of the monies set aside by Kraft Heinz to resolve the Lawsuit (the "Settlement Fund"). Your legal rights are affected, and you have a choice to make in this action now.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
PARTICIPATE IN THE RULE 23 CLASS	If you have received this Notice, you were employed as an hourly, non-exempt employee at Kraft Heinz at some time between September 22, 2019 and the date the Court enters final approval of the settlement.
	You are assumed to be a member of the Class in your State and <u>no further action</u> is necessary to participate in the Class. If you are and wish to remain a member of the Class, you will receive the amount of money corresponding to the state in which you are/were employed identified on <b>Exhibit B</b> of the Settlement Agreement, less applicable tax withholdings, if any.
	Participation in the Class will release all State law and FLSA claims against Kraft Heinz that arose between September 22, 2019 and the date the Court enters final approval of the settlement.
EXCLUDE YOURSELF FROM THE RULE 23 CLASS	As described below, if you exclude yourself, you are excluding yourself from the Class and will not receive the funds identified for your state of employment on <b>Exhibit B</b> . You will be unable to participate in the Class Settlement if you choose this option, but you will retain any rights you may have against Kraft Heinz regarding the state law and FLSA claims in this Lawsuit.
DO NOTHING	If you qualify as a member of the Class in your State and take no further action, you will remain a member of the Class, you will receive the amount as noted above, and you will be bound by the Settlement.
OBJECT	If you do not exclude yourself consistent with the instructions above, you may write the Court about why you do not like the Settlement.

#### YOUR OPTIONS ARE EXPLAINED IN THIS NOTICE, PLEASE READ IT CAREFULLY.

#### 1. What is this Lawsuit about?

On September 22, 2022, Plaintiff Dakota Grede filed a collective and class action complaint in the U.S. District Court for the Eastern District of Wisconsin (the "Court"), asserting violations of the FLSA, 29 U.S.C. § 201 *et seq.* and Wisconsin's wage payment and collection laws. On October 2, 2023, Plaintiff Steve Moffett filed a collective and class action complaint in the U.S. District Court for the Western District of Pennsylvania, asserting violations of the FLSA and Illinois' Minimum Wage Laws.

On January 23, 2024, the Court consolidated *Moffett v. Kraft Heinz Foods Company* with *Dakota Grede v. Kraft Heinz Foods Company*, styled as Case No. 22-cv-1103 in the U.S. District Court for the Eastern District of Wisconsin. On May 10, 2024, Lead Named Plaintiffs filed a Consolidated Amended Complaint with the Court, which, among other things, included additional Named Plaintiffs to the Litigation as representatives of similarly-situated individuals in the States of Arkansas, California, Delaware, Florida, Indiana, Iowa, Michigan, Minnesota, Missouri, New York, Ohio, Oregon, South Carolina, Texas, and Virginia.

In the Lawsuit, the Lead Named Plaintiffs and Named Plaintiffs alleged that Kraft Heinz failed to: (i) to include all preshift and post-shift time spent engaged in donning and doffing as compensable work time; (ii) to accurately pay for all time worked; and (iii) to include all forms of non-discretionary compensation, such as monetary bonuses, incentives, awards, and/or other rewards and payments, in their employees' regular rates of pay for overtime calculation purposes. Kraft Heinz denies the allegations, and the Court has not considered or made any decisions as to the merits of the Lead Named Plaintiffs' and Named Plaintiffs' claims or Kraft Heinz's defenses.

The Lead Named Plaintiffs, Named Plaintiffs, and Kraft Heinz have negotiated a Settlement on behalf of the Class, as defined above. While the Court has not made a final determination on the outcome of the Lawsuit, it has preliminarily approved the proposed Settlement and authorized this Notice.

# 2. Payments Under the Settlement

To settle this lawsuit, Kraft Heinz created a Settlement Fund totaling \$15,000,000.00 for payment: to individuals who participate in the Class; to Lead Named Plaintiffs and Named Plaintiffs as service awards; and to Class Counsel as attorneys' fees and costs.

# **Payments to Class Participants**

Of the total Settlement Fund, \$9,755,000.00 is allocated for payments to the Class. This amount was determined by calculating alleged monetary amounts based upon documentation and data provided by Kraft Heinz, expert damage analysis and reports, review by Class Counsel, and a reduction in a manner that was consistent with the anticipated level of risk for continued litigation of the Lawsuit. The amounts available for payments are split evenly between the Class depending on the state in which each Class Member worked or works.

### **Service Award**

Of the total Settlement Fund, and in recognition of their efforts in bringing, pursuing, and resolving the Lawsuit: a Service Award of \$25,000.00 will be paid to Lead Named Plaintiff Dakota Grede; a Service Award of \$15,000.00 will be paid to Lead Named Plaintiff Steve Moffett; a Service Award of \$2,000.00 will be paid to Named Plaintiffs Patricia Montanez and Krystal Buckley; and a Service Award of \$1,000.00 will be paid to Named Plaintiffs Melinda Wright, Devin Crooms, Steve Brandt, Clyde Bell, LaGregory Bonner, Brian Beranek, Ashley Merry, David Valykeo, Latrecia Adams, JoAnn Wyble, and Melissa Farmer.

### Payment of Attorneys' Fees and Costs

Of the total Settlement Fund, attorneys' fees and costs of \$5,025,000.00 will be paid to Class Counsel, Walcheske & Luzi, LLC, and Nilges Draher LLC.

# 3. Your Right to Participate and the Effect On Your Legal Rights

The claims at issue in the Lawsuit are brought pursuant to federal (FLSA) and state law. Your legal rights under these laws will be impacted. Kraft Heinz cannot terminate your employment, or treat you any differently because of your participation in, or exclusion from, the Class. If you are receiving this Notice, you have the following options, as noted above:

# Participate in the Class

For purposes of settlement, the Class is comprised of all hourly-paid, non-exempt employees who worked for Kraft Heinz between September 22, 2019 and the date the Court enters final approval of the settlement in the following States: Arkansas; California; Delaware; Florida; Iowa; Illinois; Indiana; Michigan; Minnesota; Missouri; New York; Ohio; Oregon; South Carolina; Texas; Virginia; and Wisconsin. All recipients of this Notice who were employed at any time between these dates are assumed to be participants in the Class and no further action is necessary to participate in the Class. Should the Settlement be approved by the Court, participation in the Class will result in the release of all state law and federal law (FLSA) claims that were asserted in the Lawsuit through the date of the Final Order Approving Settlement.

### Request to be Excluded

If you qualify as a member of the Class and you do not want to participate in the Lawsuit, you must submit a request for exclusion. To be effective, the request for exclusion must: (i) include your full name, address, and telephone number; (ii) include your dates of employment at Kraft Heinz and job title(s); and (iii) specifically state your desire to be excluded from the settlement in Dakota Grede, et. al. v. Kraft Heinz Foods Company, Case No. 22-cv-1103. If you exclude yourself, you will not receive any monies from the Settlement Fund designated for the Class, you will not be bound by the terms of the Settlement, and you will not release any state law or federal law (FLSA) claims against Kraft Heinz. You must submit your request for exclusion on or before September 30, 2024 to the Settlement Administrator. If you are a member of the Class, failure to include the required information or to timely submit your request will result in your remaining a member of the Class and being bound by any final judgment.

#### **Object**

If do not request to be excluded, you may object to the terms of the Settlement. If you object and the Settlement is approved, you will be barred from bringing your own individual lawsuit asserting claims related to the matters released through this Settlement, and you will be bound by the final judgment and release and all Orders entered by the Court. You may, but need not, enter an appearance through counsel of your choice. If you do, you will be responsible for your own attorneys' fees and costs.

You must file any objection to the Settlement with the Court on or before October 18, 2024 and provide copies of the objection to: (i) the Settlement Administrator, Analytics LLC, Kraft Heinz FLSA Settlement, PO Box 2009, Chanhassen MN 55317-2009; (ii) Class Counsel, Walcheske & Luzi, LLC, 235 N. Executive Drive, Suite 240, Brookfield, Wisconsin 53005; Email: contact@walcheskeluzi.com; Nilges Draher LLC, 1360 East 9th Street, Suite 808, Cleveland, Ohio 44114; E-Mail: rbaishnab@ohlaborlaw.com; and (iii) counsel for Kraft Heinz, 150 East Gilman Street, Suite 5000, Madison, Wisconsin 53703, E-Mail: dkaplan@foley.com. The objection must state: (i) your full name, address, and telephone number; (ii) your dates of employment at Kraft Heinz and job title(s); (iii) a written statement of your factual and legal support for your objection; (iv) copies of any papers, briefs, or other documents upon which the objection is based; (v) a list of all persons who will be called to testify in support of the objection; and (vi) a statement whether you intend to appear at the Fairness Hearing. If you do not timely make your objections in this manner, you will be deemed to have waived all objections and shall not be heard or have the right to appeal approval of the Settlement.

#### 4. Settlement Administrator

The Court appointed the following entity as Settlement Administrator of the Settlement:

Analytics LLC Phone: 844-906-1626

Kraft Heinz FLSA Settlement Website: www.KraftHeinzFLSASettlement.com

PO Box 2009 Email: KraftHeinzSettlement@noticeadministrator.com Chanhassen MN 55317-2009

Please direct any questions you have about the Settlement and/or your rights and options under the Settlement to the Settlement Administrator. **Do not contact the Court.** 

#### 5. Class Counsel

The Court appointed the following lawyers as Class Counsel to represent the Rule 23 Class:

WALCHESKE & LUZI, LLC

235 N. Executive Drive, Suite 240

NILGES DRAHER LLC

1360 East 9th Street, Suite 808

Brookfield, Wisconsin 53005

Telephone: (262) 780-1953

Telephone: (216) 230-2944

If you participate in the Lawsuit, your interests will be represented by Class Counsel. Please direct any questions you have about the Lawsuit to Class Counsel. **Do not contact the Court.** 

# 6. The Fairness Hearing

A hearing will be held before the Honorable Brett H. Ludwig, United States District Court for the Eastern District of Wisconsin, Milwaukee Division, 517 East Wisconsin Avenue, Courtroom 310, Milwaukee, Wisconsin 53202, on November 1, 2024 at 9:00 am. The purpose of the hearing is for the Court to decide whether the proposed Settlement is fair, reasonable, and adequate and should be approved, and to also approve the Service Awards and Class Counsel's attorneys' fees and costs. The location, time, and date of this hearing may be changed without further notice. If the Court approves the proposed Settlement, it will enter a judgment that will dismiss the state law and federal law (FLSA) claims in the Lawsuit with prejudice on the merits as to all Class members who do not exclude themselves. The payments to which you are entitled as result of your participation in the Lawsuit would follow.

If the Court does not approve the proposed Settlement, the case will proceed as if no settlement has been attempted and there can be no assurance that the Class members will recover more than is provided for in this Settlement, if anything.

### 7. Further Information

For additional information you may contact the Settlement Administrator or Class Counsel, whose contact information is provided in Section 4 and 5 above, respectively.