In re Heartland Express Wage and Hour Cases

California Superior Court, County of San Bernardino, Case No. JCPDS5045

Freitas et al., v Heartland Express, Inc. of Iowa

United States District Court, Eastern District of Washington, Case No. 2:19-CV-00383-SAB

NOTICE OF PENDENCY OF SETTLEMENT OF CLASS, COLLECTIVE, REPRESENTATIVE ACTION

PLEASE READ THIS NOTICE CAREFULLY. YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR NOT.

Dear Class Member:

A proposed class, collective, and representative action settlement has been reached between the Parties in the above-entitled actions and preliminarily approved by the Court as described below. You have received this notice because Heartland Express, Inc. of Iowa's and/or Interstate Distributor Co.'s (collectively "Defendant") records indicate that you are an individual who falls within one or more of the settlement classes (a "Class Member") and are entitled to participate in the Settlement.

You are eligible to receive an Individual Settlement Payment, estimated to be Approximately \$

Defendant's records indicate that you are a member of the following Class(es):

California Class: Defendant's California-resident long-haul drivers whose last known address is in California and who drove for Defendant in the state of California for at least some portion of one or more weeks from December 20, 2013 through March 13, 2023 excluding individuals who have released all of the California Class Released Claims during that period through a prior settlement, as explained more fully below.

Waiting Time Penalties Subclass: means all members of the California Class whose employment with Defendant ended at any point on or after December 20, 2014.

Washington Class: Defendant's long-haul drivers whose last known address was in the state of Washington and who drove for Defendant in the state of Washington for at least some portion of one or more week from November 15, 2015 through March 13, 2023 excluding individuals who have released their claims against Defendant during that time period, as explained more fully below.

1. WHY SHOULD I READ THIS NOTICE?

You should read this notice because you will be entitled to receive money from the Settlement if it is approved by the Court and your legal rights may be affected even if you do nothing. Plaintiffs Todd Christensen, Brian Fosse, Gregg Freitas, and Ryan Calvert (collectively "Plaintiffs") worked for Defendant as long-haul truck drivers. Plaintiffs and Defendant have entered into a Stipulation of Settlement and Release ("Settlement Agreement") that will, if finally approved by the Court, fully resolve the claims alleged against Defendant in these cases. The Settlement Agreement sets forth the details of the Settlement, which are summarized in this notice. You may obtain a copy of the Settlement Agreement from either the Settlement Administrator or Class Counsel. The proposed Settlement Agreement has been submitted to the Court and has been preliminarily approved for settlement purposes. The Court appointed the law firms of GrahamHollis APC, Schneider Wallace Cottrell Konecky LLP, and Marshall Law Group PLLC as "Class Counsel" to represent you and the Classes.

As a member of one or more of the Classes, you are entitled to share in the funds available for Settlement in this class and representative action. You are <u>not</u> being sued and you will not be individually responsible for any of the attorneys' fees or expenses of the litigation, because the Settlement requires that those amounts to be paid as part of the Settlement. However, your rights will be affected, as described in this notice, whether you act or not.

Before it will take effect, the Court must consider whether to finally approve the terms of the Settlement described below as fair and reasonable to the Classes. If approved by the Court, the Settlement will affect all Class Members who do not exclude themselves from the Settlement. An administrator that has been appointed by the Court will make all approved Individual Settlement Payments after the Court orders them.

2. WHAT IS THIS CASE ABOUT?

Plaintiff Todd Christensen filed a complaint in California Superior Court in San Bernardino County on December 20, 2017 (the "Christensen Action"), alleging class action and representative private attorney general allegations against Defendant on behalf of similarly situated and/or aggrieved employees of Defendant. Plaintiff Brian Fosse filed a complaint on November 15, 2018 in California Superior Court in San Diego County (the "Fosse Action"), alleging class action and representative private attorney general allegations against Defendant on behalf of similarly situated and/or aggrieved employees of Defendant. The Christensen Action and Fosse Action were later coordinated pursuant to California Judicial Council Coordinated Proceeding under Cal. Code Civ. Proc. §404 et seq., assigned to the California Superior Court in San Bernardino County as case no. JCPDS5045, and entitled In re Heartland Express Wage and Hour Cases, alleging nine causes of action under California law against Defendant for (1) failure to pay minimum wages, (2) failure to provide meal periods, (3) failure to provide rest periods, (4) failure to reimburse business expenses, (5) failure to provide accurate itemized wage statements, (6) failure to timely pay all wages due upon separation of employment, (7) violation of Business & Professions Code §§ 17200, et seq., (8) failure to produce employment records, and (9) violation of the Private Attorneys General Act of 2004, Labor Code §§ 2698, et seq. ("PAGA"). Plaintiffs Christensen and Fosse also sought pre-judgment interest, attorneys' fees, penalties, liquidated damages, and penalties.

Plaintiffs Gregg Freitas and Ryan Calvert filed a complaint in United States District Court of the Eastern District of Washington on November 5, 2019 (the "Freitas Action"), alleging class and collective action allegations against Heartland Express, Inc. of Iowa on behalf of over-the-road truck drivers in California, Washington, and nationwide. The *Freitas* Action alleged the following causes of action (1) violations of the Fair Labor Standards Act, 29 U.S.C. §§ 201, et seq. ("FLSA"), (2) failure to pay minimum wages, in violation of Revised Code of Washington ("RCW") §§ 49.46.020 and 49.46.090;

(3) failure to provide meal and rest breaks and ensure those breaks are taken, in violation of RCW § 49.12.020 and Washington Administrative Code ("WAC") § 296-126-092; (4) failure to pay wages owed at termination, in violation of RCW §§ 49.48.010 and 49.48.030; (5) willful refusal to pay wages, in violation of RCW §§ 49.52.050 and 49.52.070; (6) unfair deceptive acts, in violation of RCW §§ 19.86.20 and 19.86.090; (7) failure to pay for all hours worked in violation of California Labor Code §§ 201, 202, 204, and 221-223; (8) failure to pay minimum wage, in violation of California Labor Code §§ 1182.11, 1182.12, 1194, 1197, and 1197.1, and IWC Wage Order No. 9; (9) failure to provide meal periods or compensation in lieu thereof, in violation of California Labor Code §§ 226.7 and 512, and California Code of Regulations, Title 8 § 11090 ¶¶ 7 and 11; (10) failure to provide rest periods or compensation in lieu thereof, in violation California Labor Code § 226.7, and California Code of Regulations, Title 8 § 11090 ¶ 12; (11) failure to keep accurate payroll records, in violation of California Labor Code §§ 1174 and 1174.5; (12) failure to furnish accurate wage statements, in violation of California Labor Code § 226; (13) waiting time penalties, pursuant to California Labor Code §§ 201-203; and (14) unfair competition and unlawful business practices, in violation of California Business and Professions Code §§ 17200, et seq. Plaintiffs Freitas and Calvert also sought pre-judgment interest, attorneys' fees, penalties, liquidated damages, treble damages, and penalties.

On December 20, 2022, Plaintiffs Christensen, Fosse, Freitas and Calvert filed a consolidated complaint in California Superior Court in San Bernardino County that merges the two complaints described above and makes the same allegations and claims as the two complaints described above.

Defendant denies all the claims and contentions alleged in the lawsuit and maintain they have fully complied with the law. The Court has not ruled on whether Defendant violated the law as alleged in the Actions. Although Defendant has vigorously contested the allegations in the Actions to date and denies that they committed any wrongful action or violation of law, the Parties have agreed on the settlement terms described below to forego the expense and risk of further litigation.

3. WHO IS INCLUDED IN THE SETTLEMENT?

California Class: Defendant's long-haul drivers whose last known address is in California and who drove for Defendant in the state of California for at least some portion of one or more weeks from December 20, 2013 through March 13, 2023, excluding individuals who have released all of the California Released Claims through a prior settlement, as explained more fully below.

Waiting Time Penalties Subclass: All members of the California Class whose employment with Defendant ended at any point on or after December 20, 2014.

Washington Class: Defendant's long-haul drivers whose last known address is in Washington and who drove for Defendant in the state of Washington for at least some portion of one or more weeks from November 15, 2015 through March 13, 2023, excluding individuals who have released all their claims against Defendant during that time period through a prior settlement, as explained more fully below.

4. WHAT ARE THE TERMS OF THE SETTLEMENT AND HOW MUCH CAN I EXPECT TO RECEIVE?

a. Maximum Settlement Amount

Defendant will pay \$10,250,000 to settle this case (the "Maximum Settlement Amount"). From that amount, payments will be made to Class Counsel for court-approved attorney's fees and costs, to the Settlement Administrator for Administration Costs, to the California Labor and Workforce Development Agency for penalties, and to the Named Plaintiffs as a Service Award for their representation of the Classes.

Further, \$25,000 shall be set aside as a reserve fund to make payments to Class Members, if any, who were not identified in Defendant's records or otherwise.

In addition, \$200,000 shall be set aside from the Maximum Settlement Amount for payment to members of the FLSA Collective, which consists of United States resident long-haul drivers of Defendant whose last known address was not in either California or Washington. If you are receiving this notice, you are <u>not</u> a member of the FLSA Collective. Drivers who are eligible to join the FLSA Collective will receive a separate notice.

After deduction of these amounts, the remainder – the "Net Settlement Fund," estimated at approximately \$6,155,639.33 – will be distributed to participating Washington and California Settlement Class Members. These individuals will be entitled to an Individual Settlement Payment to be made from the Net Settlement Sum, which shall be calculated as follows:

i. California Class

Of the Net Settlement Sum, 85.5% will be allocated to the California Class for the release of the California Class Released Claims. Of this amount, members of the California Class will be allocated his or her portion on a pro rata basis according to the number of qualified workweeks (i.e. workweeks that a member of the California Class drove for Defendant) from December 20, 2013 through March 13, 2023, discounting any workweeks covered by prior settlements.

ii. California Waiting Time Penalties Class

Members of the California Waiting Time Penalties Subclass will receive an additional six (6) qualified workweeks to be used in the above referenced calculation.

iii. Washington Class

Of the Net Settlement Sum, 14.5% will be allocated to the Washington Class for the release of the Washington Class Released Claims. Of this amount, members of the Washington Class will be allocated his or her portion on a pro rata basis according to the number of qualified workweeks (i.e. workweeks that a member of the Washington Class drove for Defendant) from November 15, 2015 through March 13, 2023, discounting any workweeks covered by prior settlements.

** The Parties agreed to divide the Net Settlement Sum between the California and Washington Classes in the proportions stated above because of (1) the difference in the number of California Class Members and workweeks as compared to the number of Washington Class Members and workweeks; and (2) the difference between the rights and remedies available under California State law in comparison to Washington State law. The parties agree that the allocation described above is a fair and equitable division to account for these differences.

b. Calculation of Individual Settlement Payments

Your Individual Settlement Payment (i.e. the amount you will receive if you do not submit a Request for Exclusion) will be calculated using the formulas described directly above.

c. Who will receive Individual Settlement Payments?

Any Class Member who does not submit a timely Request for Exclusion will automatically receive an Individual Settlement Payment. As a Class Member, you will not need to submit a claim form.

d. When will I receive my Individual Settlement Payment?

Individual Settlement Payments will be distributed to participating Class Members no later than sixty (60) calendar days after the Court approves the Settlement at a Final Approval Hearing and enters judgment in accordance with the terms of the Settlement. However, it is possible that Settlement approval could be appealed. If so, Individual Settlement Payments will be made, if at all, after any such appeal is resolved.

<u>To ensure that you receive your Individual Settlement Payment check you must notify the Settlement Administrator if you change your mailing address.</u> If you move after receiving this notice, or if it was incorrectly addressed, please provide your correct address to the Settlement Administrator, which can be reached at the address and phone number listed below:

Freitas v Heartland c/o Kroll Settlement Administration PO Box 5324 New York, NY 10150-5324 833-630-6291

e. How much can I expect to receive?

The estimated payment shown at the beginning this notice is the estimated total amount you can expect to receive if you participate in the Settlement. This amount is based on Defendant's records of the total number of workweeks you worked as member of one or more of the Classes and whether you are also a member of the Waiting Time Penalties Subclass.

According to Defendant's records, you worked a total of <<Total CA Workweeks>> qualified workweeks as a member of the California Class and << Total WA Workweeks>> qualified workweeks as a member of the Washington Class. This total number of workweeks used to calculate your pro rata share reflects a discount for weeks worked during prior settlement release periods. If you were part of the settlement class in Plimpton v. Gordon Trucking, Inc. (San Bernardino County Superior Court Case No. CIV-DS-1511918), your workweeks were discounted by the weeks you worked between the beginning of the California Class Period and October 13, 2016, the end of the Plimpton release period. If you were part of the settlement class in Bennett v. Heartland Express, Inc. of Iowa (San Diego County Superior Court Case No. 37-2016-00015056-CU-OE-CTL), your workweeks were discounted by the weeks you worked between the beginning of the California Class Period and June 1, 2017, the end of the Bennett release period. If you were paid out a "safe harbor" payment by Heartland Express, Inc. of Iowa or Gordon Trucking, Inc. pursuant to California's AB 1513, your total workweeks were discounted by the weeks you worked between the beginning of the Californian Class Period and December 31, 2015, the end of the safe harbor period. If you were in the settlement class in Numi v. Interstate Distributor Co. (Alameda County Superior Court Case No. RG15778541), your workweeks were discounted by the weeks you worked in California between the beginning of the California Class Period and March 4, 2017, the end of the Numi release period. If you were in the settlement class in Layton v. Heartland Express, Inc. of Iowa (King County Superior Court Case No. 17-2-00667-0 KNT), your workweeks were discounted by the number of weeks you worked from the beginning of the Washington Class Period and October 1, 2017, the end of the Layton release period. If you were in Stone v. Interstate Distributor Co. (Pierce County Superior Court Case No. 15-2-14612-8), your workweeks were discounted by the weeks you worked between the beginning of the Washington Class Period and July 6, 2017, the end of the Stone release period.

If you disagree with Defendant's records regarding their number of workweeks credited to you and/or your estimated Individual Settlement Payment appearing on the top of this notice, you can submit a dispute as to accuracy of the records and your qualified workweeks. To dispute Defendant's records as to your qualified workweeks, you must provide documentation and/or an explanation showing contrary information directly to the Settlement Administrator. For your dispute to be considered, it must be mailed with a postmark date of no later than July 3, 2023 to the Settlement Administrator at the following address:

Freitas v Heartland c/o Kroll Settlement Administration PO Box 5324 New York, NY 10150-5324 For your dispute to be valid it must also: (1) contain the case names and numbers listed on the top of this notice; (2) contain your full name, address, telephone number, and last four digits of your Social Security Number; (3) contain a clear statement explaining that you wish to dispute the number of workweeks credited to you and also state the number of workweeks that you believe is correct; and (4) attach documentation, if reasonably available, demonstrating that you were not credited with the correct number of workweeks. The Settlement Administrator will provide any dispute as to the number of qualifying workweeks to the Parties, who will confer to determine whether an adjustment should be made. If the Parties are unable to reach an agreement as to a qualifying workweek dispute, the Court will decide the outstanding issue. The Court's determination of the eligibility for and amount of any Individual Settlement Allocation will be binding. In the absence of circumstances indicating fraud, manipulation, negligence, or destruction, Defendant's records will be given a rebuttable presumption of accuracy.

f. Unclaimed Amounts from Uncashed Settlement Checks.

You must cash your check for your Individual Settlement Payment within 180 days after it is mailed. Otherwise, it will become void. If after 180 calendar days of mailing, the checks cashed by Class Members total less than 100% of the Net Settlement Sum and/or if there is money remaining in the Reserve Fund, the Settlement Administrator will confer with the Parties to determine if a second distribution of Settlement checks to Class Members who cashed their original checks would be cost effective given the amount of funds remaining as compared to the administrative costs and projected amounts of the individual checks for a second distribution. Plaintiffs may elect to have a second distribution if it is cost effective to do so. If there is a second distribution, it will be made on a pro rata basis to the Class Members who cashed their original checks, such that the Individual Settlement Payment amounts for the Class Member being sent the second distribution would be in the same proportion to one another as the original Individual Settlement Payments were among those same Class Members. If the remaining funds are not sufficient to make a second distribution cost-effective, or if there are funds left after a second distribution, the Settlement Administrator shall issue a check of the unpaid residue or unclaimed or abandoned funds to the St. Christopher Truckers Development and Relief Fund, a nonprofit truck driver charity that helps over-theroad/regional semi-truck drivers and their families when an illness or injury, occurring within the last year, has caused them to be out of work.

g. Settlement Administration Costs

The Court has appointed Kroll Settlement Administration LLC as a third party to administer the Settlement, including mailing the notice, setting up a settlement website, receiving challenges to estimated Individual Settlement Payment amounts, receiving and forwarding to the Court and the parties Requests for Exclusion and objection letters received, if any, and calculating and distributing payments due to participating Class Members. The Settlement Administrator shall be entitled to payment for these services in an amount to be paid from the Maximum Settlement Amount. These costs are estimated not to exceed \$172,694.

h. Class Counsel's Attorneys' Fees and Costs

All payments for Class Counsel's Fee and Expense Award will be deducted from the Maximum Settlement Amount. Class Counsel will apply to the Court for final approval of their attorney's fees in an amount up to one third (1/3) of the Maximum Settlement Amount, which is currently \$3,416,666.67, plus Class Counsel's actual costs and expenses incurred in the litigation in an amount that will not exceed \$100,000. The amount of fees and costs awarded will be determined by the Court and will be paid from the Maximum Settlement Amount paid by Defendant.

i. Service Awards Payable to Named Plaintiffs

The Court has also preliminarily approved a payment of \$7,500 to each of the Named Plaintiffs as a Service Award. The Service Award will be paid from the Maximum Settlement Amount in recognition of the Named Plaintiffs' efforts and work towards obtaining the benefits of the Settlement and additionally, in recognition for their willingness to provide a full and separate general release of any and all claims against Defendant.

j. Payment to the Labor and Workforce Development Agency

From the Maximum Settlement Amount, \$150,000 will be allocated as penalties authorized by the Private Attorneys General Act, of which \$112,500 will be paid to the California Labor and Workforce Development Agency and \$37,500 will be paid to members of the California Class who drove for Defendant between September 11, 2017, and March 13, 2023. This amount will be paid in exchange for a release of claims for civil penalties pursuant to the California Private Attorneys General Act, Cal. Labor Code Sec. 2698 et seq, the "PAGA Released Claims," as defined below.

k. Tax Treatment of Individual Settlement Amounts

Any amount attributable to the payment for release of claims for civil penalties pursuant to the California Private Attorneys General Act, as described above, shall be considered penalties. As to the remaining portions of the Individual Settlement Payments to Class Members, they shall be allocated 1/3 to wages, 1/3 to interest, and 1/3 to penalties. The portion allocated to wages shall be reported on an IRS Form W-2, and the Settlement Administrator shall coordinate with Defendant, such that Defendant will pay the employer's portion of payroll taxes which is not part of the Maximum Settlement Amount. The portion allocated to interest and/or penalties shall be reported on an IRS Form 1099.

The Parties to the case cannot and will not provide any advice regarding tax obligations. You should seek tax advice as to any amounts you receive pursuant to the Settlement from your own tax advisor.

5. WHAT DO I NEED TO DO TO COLLECT MONEY?

If you want to participate in the Settlement, you will automatically receive an Individual Settlement Payment from the Net Settlement Sum. All you need to do is make sure the Settlement Administrator has your correct mailing address.

6. WHAT IF I DO NOTHING?

If you do nothing, you will automatically be sent an Individual Settlement Payment from the Net Settlement Sum. In addition, you will be bound by the terms of the Settlement Agreement. Specifically, unless you affirmatively exclude yourself from the Settlement, you will be bound by the terms of the release as described below and therefore be barred from pursuing any of the California Class Released Claims or Washington Class Released Claims against Defendant in this lawsuit.

7. HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?

If you do <u>not</u> wish to participate in the Settlement, you may exclude yourself ("opt out") by sending a letter or written request submitted by July 3, 2023 that includes your name and signature, the last four digits of your Social Security Number and the following statement or something similar to: "I request to be excluded from the class action proceedings in the matter of *Gregg Freitas and Ryan Calvert v. Heartland Express, Inc. of Iowa*, Case No. 2:19-cv-00383-SAB, pending in the United States District Court for the Eastern District of Washington" and/or "I request to be excluded from the class action proceedings in the matter of In re Heartland Express Wage and Hour Cases, Case No. JCPDS5045, pending in the California Superior Court, County of San Bernardino."

The Request for Exclusion must be completed, signed, dated, and mailed with a postmark date of no later than July 3, 2023 to the Settlement Administrator at the following address:

Freitas v Heartland c/o Kroll Settlement Administration PO Box 5324 New York, NY 10150-5324

The postmark date will be the exclusive means for determining whether a Request for Exclusion was timely made.

Any person who submits a timely Request for Exclusion shall, upon receipt, no longer be a member of the Settlement Class, shall be barred from participating in or objecting to any portion of the Settlement, and shall receive no money from the Settlement. Any such person, at his/her own expense, may pursue any claims he/she may have against Defendant.

8. HOW DO I OBJECT TO THE SETTLEMENT?

If you are a Class Member and you wish to object to the Settlement, you may file a written objection to the Settlement with the Settlement Administrator no later than July 3, 2023 and object at the time of the Final Approval Hearing. If you wish to submit a written objection, it must be signed by you and state: (1) the case name and number; (2) your name; (3) your current address; (4) the last four digits of your Social Security Number; (5) the basis for your objection; and (6) whether you intend to appear at the Final Approval Hearing. For an objection to be timely, it must be completed, signed, dated, and mailed with a postmark date of no later than July 3, 2023 to the Settlement Administrator at the following address:

Freitas v Heartland c/o Kroll Settlement Administration PO Box 5324 New York, NY 10150-5324

Your objection cannot ask the Court to order a larger Settlement; the Court can only approve or deny the Settlement. If the Court rejects your objection, you will still be bound by the terms of the Settlement. If you choose to object to the Settlement, you may appear at the Final Approval Hearing personally, or you may hire and pay for an attorney to represent you.

9. WHAT CLAIMS DO I RELEASE IF I PARTICIPATE IN THE SETTLEMENT?

Upon the Final Approval of the Settlement by the Court, all members of the California Settlement Class who do not opt out of the Settlement will release and discharge Released Parties of any and all California Class Released Claims from December 20, 2013, through March 13, 2023. In addition, all Washington Settlement Class Members who do not opt out of the Settlement will release and discharge Released Parties of any and all Washington Released Claims from November 5, 2015, through March 13, 2023.

The "California Class Released Claims" means all claims that are pled in Plaintiffs' operative complaints in the *Freitas* and/or *Christensen* Actions and in the consolidated complaint, or which could have been pled based upon the factual allegations in these complaints during the California Class Period, and means specifically, but is not limited to, any claim brought pursuant to any local ordinance, the IWC Wage Orders, the Fair Labor Standards Act, the California Code of Regulations, the California Labor Code (including the California Private Attorneys' General Act) or for violations of the California Business and Professions code sections 17200 *et seq.* for: failure to pay all wages or compensation owed of any kind, including failure to pay all wages and failure to pay the minimum wage, based on any theory of recovery that was pled or could have been pled based upon the factual allegations in the operative complaints in the

Freitas and/or Christensen Actions, including failure to pay for any compensable time, including time spent in the sleeper berth or during a so-called "ten hour reset" or "ten hour break," or any time on the road, "under a load," or "on call,"; failure to provide, authorize, permit, make available, pay for and/or record rest periods, including any derivative claim for rest breaks premised on the theory that time spent in the sleeper berth of a truck, on a so-called "ten hour reset" or "ten hour break," or any time on the road, "under a load," or "on call" is compensable and/or "time worked," triggering entitlement to rest breaks; failure to provide, authorize, permit, make available, schedule, pay for and/or record meal periods, including any derivative claim for meal breaks premised on the theory that time spent in the sleeper berth or on a so-called "ten hour reset" or "ten hour break," or any time on the road, "under a load," or "on call" is compensable and/or "time worked," triggering entitlement to meal breaks; failure to properly and fully compensate drivers for compensable time, including time spent: in the status of "on-duty not driving," time logged as "sleeper berth" whether or not actually spent in the sleeper berth of the truck, time logged as "off duty" while on the road and/or under a load, time spent "on call," "under a load," and/or time spent on a so-called "ten hour reset" or a "thirty-four hour reset" or any other time on the road, "under a load," or "on call"; failure to reimburse business expenses of any sort whatsoever; failure to provide or keep properly itemized wage statements, accurate payroll records, or any other record-keeping violation, including penalties associated therewith, premised upon any theory of liability that was pled or could have been pled based upon the factual allegations in the operative complaints in the Freitas and/or Christensen Actions; failure to timely pay all wages during employment at established pay periods or upon termination of employment, including penalties associated therewith, premised upon any theory of liability that was pled or could have been pled based upon the factual allegations in the operative complaints in the Freitas and/or Christensen Actions, and in the consolidated complaint, as well as any claim for attorneys' fees, costs, interest and expenses for the California Class Released Claims.

The "Washington Class Released Claims" means all claims that are pled in Plaintiffs' operative complaints in the Freitas and/or Christensen Actions and in the consolidated complaint, or which could have been pled based upon the factual allegations in these complaints during the period of November 5, 2015 through March 13, 2023, and includes specifically, but are not limited to, any claim brought pursuant to local ordinance, Washington State or Federal law for: failure to pay all wages or compensation owed of any kind, including failure to pay all compensation for all hours worked, including minimum or overtime wages, based on any theory of recovery that was pled or could have been pled based upon the factual allegations in the operative complaints in the Freitas and/or Christensen Actions, including failure to pay for any type of compensable time, including time spent in the sleeper berth or during a so-called "ten hour reset" or "ten hour break," or any time on the road, "under a load" or "on call"; failure to provide, authorize, permit, schedule, make available, pay for and/or record rest periods, including any derivative claim for rest breaks premised on the theory that time spent in the sleeper berth of a truck, on a so-called "ten hour reset" or "ten hour break," or any time "under a load" or "on call" is compensable and/or "time worked," triggering entitlement to rest breaks; failure to provide, authorize, permit, schedule, make available, pay for and/or record meal periods, including any derivative claim for meal breaks premised on the theory that time spent in the sleeper berth or on a so-called "ten hour reset" or "ten hour break," or any time on the road, "under a load," or "on call" is compensable and/or "time worked," triggering entitlement to meal breaks; failure to properly and fully compensate drivers for compensable time, including for time spent: in the status of "on-duty not driving," time logged as "sleeper berth" whether or not actually spent in the sleeper berth of the truck, time logged as "off duty" while on the road and/or under a load, time spent "on call," "under a load," and/or time spent on a so-called "ten hour reset" or a "thirty-four hour reset" or any other time on the road "under a load" or "on call"; failure to reimburse business expenses of any sort whatsoever; failure to provide or keep properly itemized wage statements, accurate payroll records, or any other record-keeping violation, including penalties associated therewith, premised upon any theory of liability that was pled or could have been pled based upon the factual allegations in the operative complaints in the Freitas and/or Christensen Actions; failure to properly calculate and/or pay overtime wages, including penalties associated therewith, premised upon any theory of liability but expressly including the theory that payment of any bonus resulted in improper calculation of the regular rate; willful refusal to pay wages, including any civil or

statutory penalties based thereon and premised upon any theory of liability that was pled or could have been pled based upon the factual allegations in the operative complaints in the Freitas and/or Christensen Actions; unfair or deceptive acts, including any civil or statutory penalties based thereon and premised upon any theory of liability; failure to timely pay all wages during employment at established pay periods or upon termination of employment, including penalties associated therewith, premised upon any theory of liability that was pled or could have been pled based upon the factual allegations in the operative complaints in the Freitas and/or Christensen Actions. The Washington Class Released Claims also includes any claim for double damages, derivative claims, willful refusal to pay wages, attorneys' fees, costs, interest and expenses, or any claim for alleged recordkeeping violations, violations of Washington law, common law claims and federal law violations based on any of the foregoing claims, that Plaintiffs did or could have alleged in their Operative Complaint and in the consolidated complaint.

"PAGA Released Claims" shall include any and all claims for civil penalties that are pled in any of Plaintiffs' Operative Complaints and in the consolidated compliant, and brought pursuant to Labor Code Sec. 2699 et seq., or which could have been pled under the Labor Code and Industrial Welfare Commission Wage Orders, and brought on behalf of other allegedly aggrieved employees and/or the LWDA, whether known or unknown by the LWDA or PAGA Employees, based on the factual allegations in Plaintiffs' operative complaints in the *Freitas* and/or *Christensen* Actions, during the PAGA Period.

The "Released Parties" means Heartland Express Inc., of Iowa and Interstate Distributor Co., and each of their past, present and/or future, direct and/or indirect, officers, directors, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers. Released Parties expressly includes Defendant Heartland Express, Inc. of Iowa, its predecessors in interest, including specifically Gordon Trucking, Inc., Interstate Distributor, Co., and its parent company Saltchuk Resources, Inc., and any and all of their parent companies, predecessors, subsidiaries and all other affiliated or related entities including any of their current and former directors, officers and employees.

10. WHO ARE THE LAWYERS REPRESENTING YOU?

The attorneys for Plaintiffs and the Classes are: Graham S. P. Hollis and Nathan J. Reese of the law firm GrahamHollis, APC; Joshua Konecky and Nathan Piller of the law firm Schneider Wallace Cottrell Konecky LLP; and Toby J. Marshall and Erika L. Nusser of the law firm Terrell Marshall Law Group PLLC. They may be reached at:

SCHNEIDER WALLACE

COTTRELL KONECKY LLP

GRAHAMHOLLIS APC Graham S. P. Hollis ghollis@grahamhollis.com Nathan J. Reese nreese@grahamhollis.com 3555 Fifth Avenue Ste 200 San Diego, CA 92103

jkonecky@schneiderwallace.com Nathan Piller npiller@schneiderwallace.com 2000 Powell Street, Suite 1400 Emeryville, California 94608 Telephone: (619) 906-4017 Telephone: (415) 421-7100

Joshua Konecky

TERRELL MARSHALL LAW GROUP PLLC Toby J. Marshall tmarshall@terrellmarshall.com Erika L. Nusser enusser@terrellmarshall.com 936 N 34th St #300 Seattle, WA 98103 Telephone: (206) 816-6603

You will not be charged for their services. Instead, Class Counsel will request to be compensated directly from the Settlement. If you want to be represented by your own lawyer, you may hire one at your own expense.

11. FINAL SETTLEMENT APPROVAL HEARING.

The Superior Court of California, County of San Bernardino will hold a hearing at 247 West Third Street, San Bernardino, CA 92415-0210 on July 6, 2023, at 10:00 a.m. PT to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve Class Counsel's request for attorneys' fees and reimbursement of costs and expenses and the service awards to be paid to Plaintiffs. The hearing may be continued without further notice to the Class. It is not necessary for you to appear at this hearing.

12. ADDITIONAL INFORMATION.

The above is a summary of the basic terms of the Settlement. A complete copy of the Settlement Agreement may be obtained from the Settlement Administrator or Class Counsel. Further, documents filed in litigation, including documents related to Settlement approval may be found on the Court's website at https://www.sb-court.org/divisions/civil-general-information/court-case-information-and-document-sales.

Additionally, you may obtain basic information concerning the Settlement, including deadlines and hearing dates pertaining to the Settlement, as well as contact information for answering questions and/or obtaining further information about the Settlement at www.HeartlandLongHaulDriversSettlement.com. The website includes links to documents related to the Settlement, including the fully executed Settlement Agreement, the Class Notice, and any Court orders related to the Settlement.

Please do not telephone the court for information regarding this Settlement. All questions regarding the Settlement should be directed to the Settlement Administrator or Class Counsel.