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FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN BERNARDINO
SAN BERNARDINO DISTRICT

MAR 13 2023

BY Amber M. Gear
AMBER M. GEAR, DEPUTY

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SAN BERNARDINO

TODD CHRISTENSEN, et al, individually
and on behalf of all similarly situated
current and former non-exempt employees
of DEFENDANTS in the State of
California,

Plaintiff,

v.

HEARTLAND EXPRESS, INC. OF IOWA,
and DOES 1 through 50, Inclusive,

Defendants.

CASE NO. CIVDS1725118

**[PROPOSED] ORDER GRANTING
PLAINTIFFS' MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT AND APPROVAL
OF FLSA SETTLEMENT**

Date: March 13, 2023
Time: 8:30 a.m.
Judge: Hon. David Cohn
Dept.: S-26

**[PROPOSED] ORDER GRANTING PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT AND FLSA SETTLEMENT**

Christensen, et al. v. Heartland Express, Inc. of Iowa, et al., Case No. CIVDS1725118

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26 Attorneys for Gregg Freitas and Ryan Calvert
27
28

1 Plaintiffs' Motion for Preliminary Approval of Class Action Settlement came before this
2 Court on March 13, 2023. The Court, having considered the proposed Stipulation of Settlement
3 and Release (the "Settlement Agreement"), Plaintiffs' Motion for Preliminary Approval of Class
4 Settlement and FLSA Settlement, and all papers filed in support, **HEREBY ORDERS THE**
5 **FOLLOWING:**

6 1. This Order incorporates by reference the definitions in the Settlement Agreement,
7 and all terms defined therein shall have the same meaning in this Order as set forth in the
8 Settlement Agreement, which is attached hereto as **Exhibit 1**.

9 2. It appears to the Court on a preliminary basis that the terms of the Settlement
10 Agreement are fair, adequate, and reasonable. It appears to the Court that investigation and
11 research have been conducted such that counsel for the Parties are at this time able to reasonably
12 evaluate their respective positions. It further appears to the Court that settlement, at this time, will
13 avoid substantial additional costs by all Parties, as well as avoid the delay and risks that would be
14 presented by the further prosecution of the Action. It further appears that the Settlement
15 Agreement has been reached as the result of intensive, serious and non-collusive, arms-length
16 negotiations.

17 3. The Court preliminarily finds that the terms of the Settlement Agreement appear
18 to be within the range of reasonableness of a settlement that could ultimately be given final
19 approval by this Court. Indeed, the Court has reviewed the monetary recovery that is being granted
20 as part of the Settlement and preliminarily finds that the monetary settlement awards made
21 available to all Class Members are fair, adequate, and reasonable when balanced against the
22 probable outcome of further litigation relating to liability and damages issues.

23 4. The Court hereby conditionally certifies the following proposed classes for
24 settlement purposes only:

- 25 a. California Class: "Defendants' long-haul drivers whose last known address
26 is in California and who drove for Defendants in the State of California
27 during the California Class Period yet excludes individuals who have
28 released all of the California Released Claims alleged against Defendants

1 during the California Class Period in a prior settlement(s).”

2 The “California Class Period” is defined as is December 20, 2013 through
3 the date of Preliminary Approval.

4 b. Washington Class: “Defendants’ long-haul drivers whose last known
5 address was in the state of Washington and who drove for Defendants in
6 the State of Washington for at least some portion of one or more week
7 during the Washington Class Period and excludes individuals who have
8 released all their claims against Defendants during the Washington Class
9 Period in a prior settlement(s).”

10 The “Washington Class Period” is defined as the period from November 5,
11 2015 through the date of Preliminary Approval.

12 c. FLSA Collective: “All United States resident long-haul drivers of
13 Defendants who worked for Defendants during the FLSA Collective
14 Period, whose last known address was not in either California or
15 Washington, and who submit a timely and valid Consent to Join on or
16 before the Notice Response Deadline.”

17 The “FLSA Collective Period” is defined as is the period from September
18 1, 2019 through the date of Preliminary Approval.

19 5. The Court preliminarily approves the appointment of Plaintiffs Todd Christensen,
20 Brian Fosse, Gregg Freitas, and Ryan Calvert as Class Representatives.

21 6. The Court preliminarily approves the appointment of Plaintiff’s Counsel Graham
22 S.P. Hollis, Vilmarie Cordero, Hali M. Anderson and Nathan Reese of GrahamHollis APC;
23 Joshua Konecky and Nathan Piller, of the law firm Schneider Wallace Cottrell Konecky LLP;
24 and Toby J. Marshall, Erika L. Nusser, Beth Terrell of the law firm Terrell Marshall Law Group
25 PLLC as Class Counsel. Class Counsel is authorized to act on behalf of Class Members with
26 respect to all acts or consents required by, or which may be given pursuant to, the Settlement
27 Agreement, and such other acts reasonably necessary to consummate the Settlement Agreement.
28 Any Class Member may enter an appearance through counsel of such individual’s own choosing

1 and at such individual's own expense. Any Class Member who does not enter an appearance or
2 appear on his or her own will be represented by Class Counsel.

3 7. The Court preliminarily approves the definition and disposition of the Maximum
4 Settlement Amount of \$10,250,000.00, on a non-reversionary basis, which is inclusive of: (1) all
5 payments to the Settlement Class Members; (2) the Name Plaintiff Service Awards of \$7,500.00
6 to each Class Representative; (3) Class Counsel's attorney's fees in the amount up to
7 \$3,416,666.67 (or one-third of the Maximum Settlement Amount) and actual litigation costs not
8 to exceed \$100,000.00; (4) the PAGA Payment of \$150,000.00, of which \$112,500.00 (or 75%)
9 will be paid to the California Labor and Workforce Development Agency and the remainder will
10 be allocated to the PAGA Employees, which are all the members of the California Class who
11 drove for Defendants in the State of California for at least some portion of one or more weeks
12 during the PAGA Period, but excludes individuals who have released all of the PAGA Released
13 Claims alleged against Defendants during the PAGA Period (September 11, 2017 through the
14 date of Preliminary Approval) in prior settlement(s).

15 8. The Court approves the form and content of the Notice of Class Action Settlement,
16 in substantially the same form attached to the Settlement Agreement as Exhibit A and finds that
17 the proposed method of disseminating the Class Notice to the Class meets all the due process
18 requirements, provides the best notice practicable under the circumstances, and constitutes due
19 and sufficient notice to all Class Members.

20 9. The Court approves the form and content of the Consent to Join FLSA Collective
21 Action, in substantially the same form attached to the Settlement Agreement as Exhibit B and
22 finds that the proposed method of disseminating the Consent to Join FLSA Collective Action
23 meets all the due process requirements, provides the best notice practicable under the
24 circumstances, and constitutes due and sufficient notice to the entire FLSA Collective.

25 10. The Court approves the retention of Kroll Settlement Administration ("Kroll") as
26 the Settlement Administrator and hereby directs Kroll to provide the approved Class Notice to
27 Class Members, the approved Consent to Join FLSA Collective Action to the FLSA Collective,
28 and administer the Settlement in accordance with the procedures described in the Settlement

1 Agreement and the Implementation Schedule set forth below.

2 11. In the event the Settlement does not become effective in accordance with the terms
3 of the Settlement Agreement, or the Settlement is not finally approved, is terminated, cancelled,
4 or fails to become effective for any reason, this Order shall be rendered null and void and shall
5 be vacated, and the Parties shall revert to their respective positions as of the commencement of
6 the litigation.

7 12. The Court orders the following implementation schedule for further proceedings:
8

EVENT	DEADLINE
Preliminary Approval of the Settlement by the Court	FEB 3-13-23
Deadline to provide Settlement Administrator with list of Class Members, including their name, Social Security number, last-known address, telephone number, and dates of employment, for each Class Member during the Class Period.	10 business days after entry of the order granting Preliminary Approval
Settlement Administrator to mail Notice to Class Members.	28 calendar days after receiving Class Member List
Notice Response Deadline	60 calendar days after mailing of Notice
Settlement Administrator to notify Parties of the number of valid and timely request(s) for exclusion letters received.	7 calendar days after Objections/Exclusion Deadline
Settlement Administrator to provide declaration of due diligence	7 calendar days prior to deadline for Plaintiffs to file their Motion for Final Approval
Deadline for Plaintiffs to file their Motion for Final Approval	Determined based on applicable rule and/or order of the Court in which motion is being brought <i>per CCP</i>

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28 13. The Court hereby sets a hearing date for Plaintiff's Motion for Final Approval of Class Action Settlement and Award of Attorney's Fees, Costs, and Class Representative Service

1 Award on 7/9 at 10:00 am in Department S-26 of this Court.

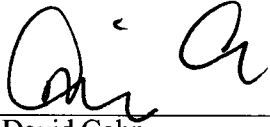
2 14. The Court reserves the right to adjourn or continue the date of the final approval
3 hearing and all dates provided for in the Settlement Agreement without further notice to Class
4 Members and retains jurisdiction to consider all further applications arising out of or connected
5 with the proposed Settlement.

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7 **IT IS SO ORDERED.**

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9 Dated: 3/13/27



Hon. David Cohn
Judge for the Superior Court,
County of San Bernardino

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EXHIBIT 1

STIPULATION OF SETTLEMENT AND RELEASE

This Stipulation of Settlement and Release (“Stipulation” or “Settlement”) is made and entered into by and between Plaintiffs Todd Christensen, Brian Fosse, Gregg Freitas, and Ryan Calvert (collectively “Plaintiffs”) individually and on behalf of all others similarly situated, and Defendants Heartland Express, Inc. of Iowa (“Heartland”) and Interstate Distributor Co. (“IDC”) (collectively “Defendants”) with regard to the action captioned *In re Heartland Express Wage and Hour Cases*, Case No. JCPDS5045, pending in the California Superior Court, County of San Bernardino, (“*Christensen Action*”) and the action captioned *Gregg Freitas and Ryan Calvert v. Heartland Express, Inc. of Iowa*, United States District Court for the Eastern District of Washington Case No. 2:19-cv-00383-SAB (“*Freitas Action*”) subject to the terms and conditions herein and the approval of the Court.

1. DEFINITIONS

1.1 “Actions” collectively refers the *Christensen Action* and the *Freitas Action*.

1.2 “Administration Costs” means the actual and direct costs reasonably charged by the Settlement Administrator for its services in administering the Settlement, currently projected by the Parties not to exceed one hundred and seventy two thousand six hundred and ninety four Dollars (\$172,694).

1.3 “California Class” means Defendants’ long-haul drivers whose last known address is in California and who drove for Defendants in the State of California during the California Class Period yet excludes individuals who have released all of the California Released Claims alleged against Defendants during the California Class Period in a prior settlement(s).

1.4 “California Class Period” is December 20, 2013 through the date of Preliminary Approval.

1.5 “California Settlement Class” means all members of the California Class except those who submit a valid and timely Request for Exclusion.

1.6 “Class Counsel” means Plaintiffs’ counsel Graham S. P. Hollis, Vilmarie Cordero, Hali Anderson, and Nathan Reese of the law firm GrahamHollis A.P.C.; 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.

1.7 “Classes” collectively refers to the California Class, Washington Class, and FLSA Collective.

1.8 “Class Members” collectively refers to all individuals who fall within the definitions of any of the following classes: California Class, Washington Class, and/or FLSA Collective.

1.9 “Class Notice” means the Court-approved form of Notice of Proposed Class Action Settlement, substantially in the same form as **Exhibit A**, attached hereto.

1.10 “California Class Released Claims” means all claims that are pled in Plaintiffs’ operative complaints in the *Freitas* and/or *Christensen* Actions, or which could have been pled based upon the factual allegations in these complaints during the California Class Period.¹

1.11 “Consent to Join” refers to the form in the same or substantially same composition as that entitled “Consent to Join FLSA Collective Action” as seen in **Exhibit B** to this Stipulation, which eligible individuals must complete and timely submit in order to become member of the FLSA Collective and receive an FLSA Settlement Payment.

1.12 “Effective Date” means, if no objections are filed to the settlement, the date the Court enters an order and judgment regarding Final Approval of the settlement. If objections are filed to the settlement, the Effective Date is the date on which the Judgment becomes a Final Judgment.

1.13 “Defendants’ Counsel” means David Ongaro of Ongaro P.C.

1.14 “Fee and Expense Award” means such award of fees and costs as the Court may authorize to be paid to Class Counsel for the services they have rendered and will render to the Classes in the Action. Class Counsel shall apply to the Court for fees in an amount up to one third (1/3) of the Maximum Settlement Amount, or Three Million Four Hundred Sixteen Thousand Six Hundred and Sixty-Six Dollars and Sixty-Seven Cents (\$3,416,666.67), in attorneys’ fees plus the actual costs and expenses as supported by declaration. Class Counsel’s request for actual costs incurred in the litigation will not exceed One Hundred Thousand Dollars (\$100,000.00).

¹ The California Class Released Claims includes specifically, but is not limited to, any such 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, as well as any claim for attorneys’ fees, costs, interest and expenses for the California Class Released Claims released herein.

Defendant reserves its right to oppose Class Counsel's application for fees and costs in the event it seeks fees and/or costs that are not documented or reasonable.

1.15 "Final Approval" refers to the final settlement approval order and judgment that will be entered by the Court.

1.16 "Final Judgment" means the latest of: (a) the date of final affirmance on an appeal of the Judgment; (b) the date of final dismissal with prejudice of the last pending appeal from the Judgment; or (c) if no appeal is filed, the expiration date of the time for the filing or noticing of any form of valid appeal from the judgment.

1.17 "FLSA Collective" means all United States resident long-haul drivers of Defendants who worked for Defendants during the FLSA Collective Period, whose last known address was not in either California or Washington, and who submit a timely and valid Consent to Join on or before the Notice Response Deadline.

1.18 "FLSA Collective Period" is the period from September 1, 2019 through the date of Preliminary Approval.

1.19 "FLSA Notice" means the Court-approved form of Notice of Collective Action Settlement, substantially in the same form as **Exhibit C**, attached hereto.

1.20 "FLSA Released Claims" means any and all federal wage and hour law claims, that are pled in Plaintiffs' operative complaints in the *Freitas* and/or *Christensen* Actions, or which could have been pled based upon the factual allegations in these complaints, arising under the Fair Labor Standards Act of 1938 ("FLSA"), as amended, 29 U.S.C. §201 *et seq.* during the FLSA Collective Period.²

1.21 "FLSA Settlement Fund" means the sum of Two Hundred Thousand Dollars (\$200,000.00), which shall be allocated from the Maximum Settlement Amount and paid to eligible employees who timely submit a Consent to Join on or before the Notice Response Deadline, in consideration for release of claims under the FLSA.

1.22 "FLSA Settlement Payment" means the gross amount of the pro rata portion of the FLSA Settlement Fund due to each member of the FLSA Collective, subject to applicable withholdings and deductions.

1.23 "Individual Settlement Payment" or "Individual Settlement Allocation" refers to the portion of the Net Settlement Sum allocable to each participating Class Member.

1.24 "Maximum Settlement Amount" means the maximum amount of Ten Million Two Hundred Fifty Thousand Dollars (\$10,250,000.00) that Defendant will pay as a result of this

² The FLSA Released Claims includes specifically, but are not limited to, any claim under federal or state law for failure to pay wages owed, based on 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 but expressly including the theory that time spent in the sleeper berth of a truck, in the "sleeper berth" or "off duty" status, on "ten hour resets" or "thirty-four hour resets" or time on the road, "under a load," or "on call" is compensable, as well as any derivative or related claim for attorneys' fees, interest or penalties related to the FLSA Released Claims.

Stipulation of Settlement. The Maximum Settlement Amount includes: (1) the Individual Settlement Allocations, (2) the Fee and Expense Award, (3) the Administration Costs, (4) the PAGA Payment, (5) the Name Plaintiffs Service Awards, and (6) the FLSA Settlement Fund. The Maximum Settlement Amount excludes the employer's share of payroll taxes, which shall be paid separately by Defendants. The Maximum Settlement shall be subject to increase pursuant to the Workweek Escalator should the conditions described herein be met.

1.25 "Mediator" means Hon. Ronald Sabraw (Ret.).

1.26 "Named Plaintiff(s)" or "Class Representative(s)" refers to Todd Christensen, Brian Fosse, Gregg Freitas, and Ryan Calvert, acting individually and in their capacity as putative collective and class representatives and representatives of the LWDA and other allegedly aggrieved employees.

1.27 "Net Settlement Sum" means the Maximum Settlement Amount less the Fee and Expense Award, the PAGA Payment, Administration Costs, the Name Plaintiffs Service Awards, the FLSA Settlement Fund, and the Reserve Fund. This amount will be distributed to the members of the Classes.

1.28 "Notice Response Deadline" means the date sixty (60) calendar days following the date on which the Settlement Administrator first mails the Notice to the Class Members.

1.29 "Notice Packet" means, for members of the California and/or Washington Classes, the Class Notice. For Class Members who are not part of the California and/or Washington Class, but who are eligible to participate in the FLSA Collective, the Notice Packet means the FLSA Notice and Consent to Join.

1.30 "PAGA Payment" means the portion of the Maximum Settlement Amount recovered by Plaintiffs acting for, with the consent of and on behalf of the LWDA and represents the recovery of penalties for, with the consent of an on behalf of the LWDA under the California Labor Code Private Attorneys General Act of 2004. The Parties have agreed that the PAGA Payment will be One Hundred Fifty Thousand Dollars (\$150,000.00), which shall be allocated from the Maximum Settlement Amount to penalties under the Labor Code §2698 *et seq.*, the Private Attorneys General Act ("PAGA"). Of the total PAGA Payment (\$150,000.00), seventy-five percent (75%) of this sum (\$112,500.00) will be paid to the California Labor and Workforce Development Agency ("LWDA"), and the remaining twenty-five percent (25%) or \$37,500.00, will be known as the PAGA Employee Allocation distributed to PAGA Employees.

1.31 "PAGA Employees" means all members of the California Class who drove for Defendants in the State of California for at least some portion of one or more weeks during the PAGA Period, but excludes individuals who have released all of the PAGA Released Claims alleged against Defendants during the PAGA Period in a prior settlement(s).

1.32 "PAGA Employee Allocation" refers to the twenty five percent (25%) of the PAGA Payment, or \$37,500.00, which will be distributed to PAGA Employees in recognition of the settlement of PAGA Released Claims.

1.33 “PAGA Period” is the period from September 11, 2017 through the date of Preliminary Approval.

1.34 “PAGA Released Claims” shall include any and all claims for civil penalties that are pled in any of Plaintiffs’ Operative Complaints 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.

1.35 “Parties” refers to collectively to Plaintiffs and Defendants.

1.36 “Payment Obligation Date” means the date which is twenty-one (21) days after the Effective Date of the Settlement.

1.37 “Preliminary Approval” refers to an order of the Court approving this Settlement, and the exhibits thereto, preliminarily approving a class and collective action settlement and setting a hearing regarding final approval of the settlement.

1.38 “Released Parties” means Defendants, 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.

1.39 “Reserve Fund” means the sum of Twenty-Five Thousand Dollars (\$25,000.00), which shall be allocated from the Maximum Settlement Amount and set aside during the 180-day cash checking period to make Individual Settlement Payments to Class Members, if any, who were not identified in Defendants’ records or otherwise before the Payment Obligation Date and whose additional workweeks do not trigger the Workweek Escalator.

1.40 “Residue” refers to the unclaimed funds of the Net Settlement Sum and Reserve Fund allocated to the Classes if fewer than all members of the Classes cash the checks for their Individual Settlement Payments sent to them.

1.41 “Request for Exclusion” means a letter or written request submitted by a member of the California Class or Washington Class to the Settlement Administrator and postmarked by the Notice Response Deadline that includes the individual’s name and signature, the last four digits of his or her Social Security Number and the following statement or something similar: “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 *In re Heartland Express Wage and*

Hour Cases, Case No. JCPDS5045, pending in the California Superior Court, County of San Bernardino.”

1.42 “Service Awards” means the sum paid to the Named Plaintiffs / Class Representatives as approved by the Court in recognition of their efforts in 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 the Released Parties. Defendants will not oppose a reasonable service award payable to the Named Plaintiffs / Class Representatives in addition to their shares as Class Members, provided that the amount of the application for a service award for each Named Plaintiff / Class Representative does not exceed Seven Thousand Five Hundred Dollars (\$7,500.00).

1.43 “Settlement” means the terms and conditions set forth in this Stipulation of Class and PAGA Representative Action Settlement and Release.

1.44 “Settlement Administrator” means Kroll Settlement Administration, subject to Court approval.

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

1.46 “Washington Class” means Defendants’ long-haul drivers whose last known address was in the state of Washington and who drove for Defendants in the State of Washington for at least some portion of one or more week during the Washington Class Period and excludes individuals who have released all their claims against Defendants during the Washington Class Period in a prior settlement(s).

1.47 “Washington Class Period” is the period from November 5, 2015 through the date of “Preliminary Approval.”

1.48 “Washington Class Released Claims” means all claims that are pled in Plaintiffs’ operative complaints in the *Freitas* and/or *Christensen* Actions, or which could have been pled based upon the factual allegations in these complaints during the Washington Class Period.³

³ The Washington Class Released Claims include 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

1.49 “Washington Settlement Class” means all members of the Washington Class except those who submit a valid and timely Request for Exclusion.

1.50 “Workweek Escalator” refers to the method for determining whether the Maximum Settlement Amount may increase as described under section 3.5 of this Agreement.

2. GENERAL

2.1 The following is a summary of the procedural history of the Actions:

(a) 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 Defendants on behalf of similarly situated and/or aggrieved employees of Defendant.

(b) 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 Defendants on behalf of similarly situated and/or aggrieved employees of Defendant.

(c) The *Christensen* Action and *Fosse* Action were later coordinated pursuant to 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*.

(d) 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 Defendants on behalf of over-the-road truck drivers in California, Washington, and nationwide.

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 Plaintiffs’ Operative Complaint.

(e) During the course the above referenced actions, the Parties engaged in substantial discovery, including written discovery, document production, depositions, and third-party subpoenas. Defendants provided Plaintiffs with a substantial amount of information and over 4,000 pages of documents, including relevant company policies, a sample of timekeeping and corresponding payroll data, and other class data. Defendants also provided Plaintiffs with the contact information for members of the classes. Further, in the *Freitas* Action, the parties conducted 15 depositions (including three PMK depositions and depositions of the two Named Plaintiffs) and exchanged sworn written statements from 42 putative class members. The exchange of information and documents was comprehensive and enabled the Parties to sufficiently assess the strength and weaknesses of their respective positions in order to engage in arms-length settlement discussions.

(f) Plaintiffs Gregg Freitas and Ryan Calvert filed motions for conditional certification of a collective action pursuant to the FLSA as well as certification of classes of California drivers and Washington drivers pursuant to FRCP Rule 23. These motions were fully briefed and set for hearing before Chief Judge Stanley A. Bastian, United States District Court, Eastern District of Washington, during the pendency of the mediation sessions described below that led to the Mediator's Proposal and Settlement memorialized herein.

(g) The Parties participated in a private mediation session with the Mediator on April 28, 2022, at which time the Parties did not reach a settlement. The Parties then participated in a subsequent private mediation session with the Mediator on June 24, 2022. Following the conclusion of the second mediation, the Mediator issued a Mediator's Proposal on June 28, 2022. On July 9, 2022, the Parties accepted the Mediator's Proposal, which the Mediator, the Parties and their counsel have concluded to be a fair, reasonable, and adequate resolution of this Action.

2.2 Defendants deny any liability and wrongdoing of any kind associated with the claims alleged in the Actions, and further deny that either Action is appropriate for class, collective, and/or representative treatment for any purpose other than this Settlement. Defendants in no way admit any violation of law or any liability whatsoever to Plaintiffs and/or the members of the Classes, individually or collectively. Defendants contend that they have always complied with the applicable laws. Although Defendants have vigorously contested the allegations in the Action to date and deny that they or any Released Party committed any wrongful action or violation of law, Defendants believe that further litigation with respect to the Plaintiffs' claims would be protracted, expensive, and contrary to Defendants' best interests. Substantial amounts of time, energy, and other resources have been, and, absent settlement, will continue to be devoted to Defendants' defense against Plaintiffs' claims. In light of these realities, Defendants believe that settlement is the best way to resolve the disputes among the Parties while minimizing their own further expenditures. Defendants thus agree the Settlement is fair, reasonable and adequate.

2.3 Plaintiffs believe that the Actions are meritorious and that class, collective, and representative treatment is appropriate and proper.

2.4 Class Counsel have conducted a thorough investigation into the facts of the Actions, including written discovery, taking depositions, extensive review and analysis of Defendants' documents, and have interviewed key witnesses including members of the Classes. Class Counsel is knowledgeable about and has done extensive research with respect to the applicable law and

potential defenses to the claims of the members of the Classes. Class Counsel has diligently pursued an investigation of the claims alleged in the Actions against Defendants. Based on the forgoing data and on its own independent investigation and evaluation, Class Counsel is of the opinion that the Settlement for the consideration and on the terms set forth in this Stipulation of Settlement is fair, reasonable, and adequate and is in the best interest of the members of the Classes in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, the various defenses asserted by Defendants, and the numerous potential appellate issues. Further, Plaintiffs have carefully evaluated the terms of the Settlement, and, based upon that review, has determined that it is fair and reasonable.

2.5 The Parties stipulate that Plaintiffs may file a single consolidated complaint encompassing the allegations in the each of the Plaintiffs' respective operative pleadings in order to facilitate settlement approval in a single forum. Should the Court not grant either Preliminary Approval or Final Approval, or should there be no entry of Final Judgment for any reason, said pleading shall become void *ab initio*, and the Parties shall be returned to their respective positions under the previous operative pleadings as they existed prior to the filing of the consolidated complaint for settlement purposes.

2.6 The Parties stipulate and agree to the class and collective action certification of the Classes for purposes of this Settlement only. Should, for whatever reason, the Court not grant Preliminary or Final Approval, the Parties' stipulation to class and collective action certification as part of the Settlement shall become null and void and shall have no bearing on, and shall not be admissible in connection with, the issue of whether or not certification would be appropriate. Defendants expressly reserve their rights and declare that they intend to oppose class certification and any form of representative action vigorously should this Settlement not be granted Final Approval.

3. PRELIMINARY APPROVAL

3.1 The Parties agree to fully cooperate with each other to accomplish the terms of this Stipulation of Settlement, including but not limited to, execution of such documents and to take such other actions as may reasonably be necessary to implement the terms of this Stipulation.

3.2 Class Counsel shall request a hearing before the Court to seek Preliminary Approval of the Settlement on a mutually available date as soon as reasonably practicable. In conjunction with such hearing, Class Counsel shall submit this Stipulation of Settlement, together with the exhibits attached hereto, and any other documents necessary to implement the Settlement.

3.3 Class Counsel shall provide a copy of the motion for preliminary approval to Defendants' Counsel for review before filing it with the Court. Defendants agree not to oppose Plaintiffs' motion for preliminary approval unless the motion is inconsistent with the terms set forth in this Settlement.

3.4 Defendant shall verify under oath the number of class members, the number of workweeks for members of each class, and the number of workweeks of members of each class that are covered by releases in prior settlements. Defendant agrees to do so no later than twenty (21) business days prior to the deadline for Plaintiffs to file a motion for Preliminary Approval.

3.5 **Workweek Escalator.** Prior to and during the Parties' mediation, Defendant represented that there were a total of 500,516 workweeks, which excluded workweeks that were covered by releases in prior settlements, and was composed of 51,766 for the California Class, 26,376 for the Washington Class, and 422,374 for the FLSA Collective. The Parties agree that this settlement is based on a total of 500,516 workweeks. Should the total number of workweeks increase by more than two-and-one-half percent (2 ½% above 500,516, the Maximum Settlement Amount shall increase on a pro rata basis in accordance with the increase in the number of workweeks above 500,516 workweeks. For purposes of this calculation: a) workweeks for the California Class include those in which a member of the California Class drove at least part of the workweek in the State of California for Defendants n during the California Class Period, and excludes any workweeks covered by prior settlements; b) workweeks for the Washington Class include those in which a member of the Washington Class drove for Defendants at least part of the workweek in the State of Washington during the Washington Class Period, and excludes any workweeks covered by prior settlements; and c) workweeks for the FLSA Collective includes those in which a member of the FLSA Collective drove for Defendant in the United States between during the FLSA Collective Period and the date of Preliminary Approval and excludes workweeks worked by the California Class and Washington Class.

4. NOTICE PROCESS

4.1 **Class Information.** Within ten (10) business days after entry of the order granting Preliminary Approval, Defendants shall provide to the Settlement Administrator a list of all Class Members, including their name, Social Security number, last-known address, telephone number, last known email address (if any), and their start and end dates of employment during the Class Period.

4.2 **Notice by First Class U.S. Mail.** Prior to the mailing of the Notice Packet to Class Members, the Settlement Administrator will run a search on the National Change of Address Database for each Class Member to attempt to obtain the best possible address for Class Members. Within twenty-eight (28) calendar days after receiving the Class Member list from Defendant, the Settlement Administrator shall send the Notice Packet via first class mail to the Class Members after it has followed the procedure set forth herein to obtain the best possible address for Class Members. The Settlement Administrator shall also send the Notice Packet via email to any Class Members whose email is included in the Class Information.

4.3 **Undeliverable Notices.** If a Notice Packet sent via First Class U.S. mail is returned as undeliverable with a forwarding address provided by the United States Postal Service, the Settlement Administrator will promptly resend the Notice and Consent to that forwarding address. If a Notice Packet sent via First Class U.S. mail is returned as undeliverable without a forwarding address provided by the United States Postal Service, the Settlement Administrator will promptly perform at least one skip trace (using Transunion, Nexus, Accurint or substantially similar service) and re-mail the Notice Packet to any updated address found. The Settlement Administrator will include with any re-mailing to a forwarded and/or updated address a brief letter stating that the recipient of the Notice has until the original deadline set forth on the Notice, or ten (10) calendar days after the re-mailing of the Notice (whichever is later), to submit a Request for Exclusion,

objection to the settlement, or to dispute the amount of workweeks identified, or, if applicable, the Consent to Join form.

4.4 Settlement Website. The Settlement Administrator may establish and maintain a website that is accessible to Class Members between the date the Class Notice is first mailed to the date all settlement payments are made, including any payment of residual to the *cy pres* beneficiary. The website will contain basic information concerning the Settlement, including any deadlines and hearing dates pertaining to the Settlement, as well as contact information for answering questions and/or obtaining further information about the Settlement. The website may also include links to documents related to the Settlement, including the fully executed Settlement Agreement, the Class Notice, the Consent to Join, and any Court orders related to the Settlement.

4.5 Objection/ Exclusion. The Class Notice shall state the total number of workweeks each Class Member worked in each of the Classes based on the data provided to the Settlement Administrator by Defendant. The Notice shall provide that Class Members who wish to exclude themselves from the Settlement must submit a Request for Exclusion postmarked by the Notice Response Deadline. The Notice Response Deadline is sixty (60) calendar days following the initial mailing of the Notice. Any Class Member who properly requests exclusion using this procedure will not receive any payment from the Settlement and will not be bound by the Stipulation of Settlement or have any right to object, appeal or comment thereon. If more than five percent (5%) of either the Washington or California Settlement Class Members, or a combined seven percent (7%) across both the Washington and California Settlement Class Members, opt out of the Settlement, at Defendant's discretion, this Agreement can be rendered null and void upon written notice by Defendant to Class Counsel. If Defendant exercises this option, the Parties will be restored to their positions prior to the settlement negotiations and settlement of the Actions and all stipulations, agreements and covenants contained in this Agreement are forever extinguished. Class Members who do not submit a valid and timely Request for Exclusion shall be bound by all terms of the Stipulation of Settlement and any judgment entered in the Actions once the Settlement is approved by the Court. Although Class Members may request exclusion of this Settlement, all PAGA Employees shall be bound by this Agreement regarding Plaintiffs' claims asserted under the PAGA and shall be bound by the release of PAGA Released Claims once the Settlement is approved by the Court.

4.6 FLSA Collective Action. The FLSA Notice and Consent to Join shall state the amount of the FLSA Settlement Fund, the total number of workweeks that each potential member of the FLSA Collective worked for Defendants during the FLSA Collective Period, and the total number of workweeks in the FLSA Collective, based on the data provided to the Settlement Administrator. The Consent to Join shall state that each potential member of the FLSA Collective shall be entitled to a payment to resolve any claims against Defendant for FLSA Released Claims and provide the formula that will be used to calculate the amount of that payment. The Consent to Join shall include instructions on how to submit the Consent to Join form and shall notify potential members of the FLSA Collective of the Notice Response Deadline. The Consent to Join should include prepaid postage to facilitate members of the FLSA Collective's participation in the settlement. For purposes of this Stipulation, a Consent to Join shall be deemed "valid" only if: (a) the member of the individual seeking to become a member of the FLSA Collective has provided a Consent to Join that contains his or her name and the last four digits of his or her Social Security

Number, (b) he or she has signed the Consent to Join, and (c) Defendants' records indicate that the individual's name provided on the Consent to Join matches Defendants' records provided to the Settlement Administrator. If a Consent to Join is defective as to any of these three requirements, the Settlement Administrator shall inform the potential member of the FLSA Collective, who shall be given an opportunity to cure the defect(s). Any such defective Consent to Join forms shall be returned to potential FLSA Collective member within five (5) business days of the receipt by the Settlement Administrator with information regarding the defect(s). The potential member of the FLSA Collective will be given fifteen (15) business days from the date the Consent to Join was mailed back to him or her or until the Notice Response Deadline, whichever is later, in order to cure the defect(s) and return the Consent to Join to the Settlement Administrator. If the revised Consent to Join is not postmarked within said period, it shall be deemed untimely and individual shall be deemed to have waived his or her ability to join the FLSA Collective, and his or her right to a settlement payment as a member of the FLSA Collective shall be waived.

4.7 Disputes Regarding Individual Settlement Allocations. Class Members who disagree with Defendants' records regarding their number of workweeks credited to him or her and/or estimated Individual Settlement Payment must provide documentation and/or an explanation showing contrary information directly to the Settlement Administrator by the Notice Response Deadline. The dispute must: (1) contain the case number and number of the Action; (2) contain the Class Member's full name, address, telephone number, and last four digits of his or her Social Security number; (3) contain a clear statement explaining that the Class Member wishes to dispute the number of workweeks credited to him or her and also stating the number of workweeks that he or she contends is correct; and (4) attach documentation, if reasonably available, demonstrating that the Class Member was not credited with the correct number of workweeks. The Settlement Administrator will in turn provide any such submissions by Class Members to the Parties. The Parties will meet and confer to determine whether adjustments to the Class Member's shifts and/or Individual Settlement Allocation are warranted. If the Parties are unable to reach an agreement as to a 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 upon the Class Member and the Parties. In the absence of circumstances indicating fraud, manipulation, negligence, or destruction, Defendant's records will be given a rebuttable presumption of accuracy. Any disputes must be submitted within sixty (60) days following the initial mailing of the notice.

4.8 Declaration of Due Diligence. At least seven (7) calendar days prior to the deadline for Plaintiffs to file a motion seeking the Court's Final Approval of the Settlement, the Settlement Administrator will provide a declaration of due diligence and proof of mailing regarding the mailing of the Notice Packet to counsel for all Parties.

4.9 The Parties and their counsel agree not to take any action to encourage any Class Members to opt out of or to object to the Settlement.

4.10 Defendants will provide the Settlement Administrator with sufficient funds to make all payments due to Plaintiffs, Class Counsel, the LWDA, the Settlement Administrator, and the Class Members, plus any owed payroll taxes, no later than the Payment Obligation Date. All amounts to be paid by Defendants shall be paid to a qualified settlement fund ("Qualified Settlement Fund"), which shall be administered by the Settlement Administrator. All amounts to

be paid to anyone pursuant to this Stipulation of Settlement shall be paid out of the Qualified Settlement Fund.

4.11. The Settlement Administrator will mail all required payments no later than ten (10) calendar days after receiving the funds described in the preceding paragraph. Individual Settlement Allocation checks not cashed within 180 calendar days of mailing will become void. If a Class Member's check is returned to the Settlement Administrator, with a forwarding address provided by the United States Postal Service, the Settlement Administrator will promptly resend the check to that Class Member. If a Class Member's check is returned as undeliverable without a forwarding address, the Settlement Administrator will promptly perform at least one skip trace (using Transunion, Nexus, Accurint or substantially similar service) and remail the check to the updated address found, if any.

4.12 No person shall have any claim against Defendants, Defendants' Counsel, Plaintiffs, the Class, Class Counsel or the Settlement Administrator based on mailings, distributions and payments made in accordance with this Stipulation of Settlement.

4.13 The following is a summary of the proposed timeline related to this Settlement:

EVENT	DEADLINE
Preliminary Approval of the Settlement by the Court	TBD
Defendant to provide Settlement Administrator with list of Class Members, including their name, Social Security number, last-known address, telephone number, and dates of employment, for each Class Member during the Class Period.	10 business days after entry of the order granting Preliminary Approval
Settlement Administrator to mail Notice to Class Members	28 calendar days after receiving Class Member List
Notice Response Deadline	60 calendar days after mailing of Notice
Settlement Administrator to notify Parties of the number of valid and timely request(s) for exclusion letters received	7 calendar days after Objections/Exclusion Deadline
Settlement Administrator to provide declaration of due diligence	7 calendar days prior to deadline for Plaintiffs to file their Motion for Final Approval
Deadline for Plaintiffs to file their Motion for Final Approval	Determined based on applicable rule and/or order of the Court in which motion is being brought.
Final Approval Hearing	TBD

Effective Date of the Settlement	Date the Court signs the Final Approval Order and Judgment, if no objections to the Settlement.
Payment Obligation Date	Twenty-one (21) days after Effective Date of the Settlement
Settlement Administrator to mail Individual Settlement Payments	Ten (10) calendar days after the Defendant makes all the necessary payments into the Qualified Settlement Fund
Uncashed Checks Become Void	180 calendar days after mailing of the Individual Settlement Payment Checks to Class Members

5. SETTLEMENT COMPONENTS

5.1 The Settlement shall have six components: (1) the Individual Settlement Allocations, (2) the Fee and Expense Award, (3) the Administration Costs, (4) the PAGA Payment, (5) the Service Awards, and (6) the FLSA Settlement Fund. All of these components are included in the Maximum Settlement Amount.

(a) **Payroll Taxes.** The Maximum Settlement Sum does not include the employers' side of payroll taxes, which shall be paid by Defendants separate and apart from the Maximum Settlement Amount. The payroll taxes will be computed by the Settlement Administrator based on the amounts paid to the participating Class Members. The Settlement Administrator shall be responsible for making all necessary payments and government filings in connection with such payments.

(b) **Individual Settlement Payments.** Administrator shall have the authority and obligation to calculate the amounts of Individual Settlement Payments in accordance with the methodology set forth in this Stipulation of Settlement and orders of the Court. The Parties agree that the formula for the Individual Settlement Payments to Class Members provided herein is reasonable and that the payments provided herein are designed to provide a fair settlement to such persons, in light of the uncertainties of the damages and penalties alleged to be owed to the Class and the calculation of such amounts.

(i) Members of the California Class and Washington Class will not have to submit a claim form in order to participate in the Settlement. Each member of the California Class and Washington Class who does not timely submit a Request for Exclusion will be mailed a check representing his or her Individual Settlement Payment for the release of either or both of California Class Released Claims and/or Washington Class Released Claims to which he or she is entitled.

(ii) **Distribution Formula for California and Washington Settlement Classes.** The Parties agree that the Net Settlement Sum will be allocated as follows:

(1) **California Class Settlement Allocation.** Of the Net Settlement Sum, 85.5% will be allocated to the California Class for the release of the California Released Claims. This amount of the Net Settlement Sum shall be referred to as the "California Class Settlement Allocation" or "CCSA." Members of the California Class shall be allocated his or her portion of the CCSA on a pro rata basis according to the number of qualified workweeks (i.e. workweeks that a member of the California Class drove for Defendants) during the California Class Period. Thus, participating members of the California Class shall be allocated a pro rata share of the CCSA based on the ratio of the number of his or her qualified workweeks to the total number of qualified workweeks for all members of the California Class and multiplying this result by the total amount of the CCSA: **Settlement Payment Pursuant to the California Settlement Allocation = Total Amount of CCSA x (Participating Class Member's Individual Number of Qualified Workweeks/Total Number of Qualified Workweeks For All Participating Members of the California Class).** For purposes of this calculation, members of the Waiting Time Penalties Subclass will receive an additional six (6) qualified workweeks.

(2) **Washington Class Settlement Allocation.** Of the Net Settlement Sum, 14.5% will be allocated to the Washington Class for the release of the Washington Released Claims. This amount of the Net Settlement Sum shall be referred to as the "Washington Class Settlement Allocation" or "WCSA." Members of the Washington Class shall be allocated his or her portion of the WCSA on a pro rata basis according to the number of qualified workweeks (i.e. workweeks that a member of the Washington Class drove for Defendants) during the Washington Class Period. Thus, participating members of the Washington Class shall be allocated a pro-rata share of the WCSA based on the ratio of the number of his or her qualified workweeks to the total number of qualified workweeks for all members of the Washington Class and multiplying this result by the total amount of the WCSA: **Settlement Payment Pursuant to the Washington Settlement Allocation = Total Amount of WCSA x (Participating Class Member's Individual Number of Qualified Workweeks/Total Number of Qualified Workweeks For All Participating Members of the Washington Class).**

(iii) **Distribution Formula for FLSA Collective.** Members of the FLSA Collective who timely submit a Consent to Join shall be allocated a pro rata share of the FLSA Settlement Fund according to the number of qualified workweeks (i.e. workweeks that a member of the FLSA Collective drove for Defendant in the United States) during the FLSA Collective Period. Thus, participating members of the FLSA Collective shall be allocated a pro rata share of the FLSA Settlement Fund based on the ratio of the number of his or her qualified workweeks to the total number of qualified workweeks for all members of the FLSA Collective and multiplying this result by the total amount of the FLSA Collective Settlement Fund: **Settlement Payment Pursuant to the FLSA Settlement Fund = Total Amount of FLSA Settlement Fund x (Participating Class Member's Individual Number of Qualified Workweeks/Total Number of Qualified Workweeks For All Member of the FLSA Collective).**

(iv) **Distribution Formula for PAGA Employees.** As to PAGA Employee Allocation (the 25% of the PAGA Payment to be distributed to PAGA Employees or

\$37,500.00), each PAGA Employee shall receive an equal distribution on a per capita basis, regardless of whether or not the PAGA Employee seeks exclusion from the Settlement.

(v) Each Class Member mailed an Individual Settlement Payment will have 180 calendar days from the date of the mailing of the Settlement Payment check to cash the check. Failure to cash the check within 180 calendar days will result in the Class Member foregoing all eligibility to receive any payment from the Settlement, but the Settlement Class Member shall remain bound by the Settlement and its Class Released Claims. The checks will state they are void if not cashed within 180 calendar days of mailing.

(vi) The right of any Class Member to receive any settlement payment shall be conditioned upon his or her cashing the settlement check by the end of the 180th day after the Settlement Administrator mails any settlement check to the Class Member. Checks sent to Class Members and not cashed shall be null and void after 180 calendar days of mailing and the recipient Class Members shall thereafter have no right of any kind to receive payment. No Class Member or his or her heirs or estate shall acquire any interest in any settlement check that the Class Member does not cash by the end of the 180th day after the Settlement Administrator mails it.

(vii) **Allocation of The Individual Settlement Payments.** The Parties recognize that the Individual Settlement Payments to be paid to Class Members reflect settlement of a dispute over claimed wages, interest, and penalties. Any amount attributable to the PAGA Employee Allocation 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 Defendants, such that Defendants will pay the employer's portion of payroll taxes, which is not part of the Maximum Settlement Amount. Defendants agrees to reasonably cooperate with the Settlement Administrator to the extent necessary to determine or confirm the amount of the payroll tax payment required under this Section. The portion allocated to interest and/or statutory penalties shall be reported on an IRS Form 1099.

(viii) It shall be the responsibility of the Settlement Administrator to timely and properly withhold from Individual Settlement Payments payable to Class Members all applicable payroll and employment taxes, including all federal, state, and local income taxes, and to prepare and deliver the necessary tax documentation and, thereafter, to cause the appropriate deposits of withholding taxes and informational and other tax return filing to occur.

(ix) Each Class Member's share of all applicable payroll and employment taxes withheld and deposited with the applicable governmental authorities in accordance with this Stipulation of Settlement shall be a part of, and paid out of, the Individual Settlement Payment to each Class Member. Each Class Member will be responsible for paying all applicable state, local, and federal income taxes on all amounts the Class Member receives pursuant to this Stipulation of Settlement.

(x) **No Effect on Employee Benefits.** Individual Settlement Payments provided for in this Stipulation of Settlement are the sole payments to be made to the Class Members, and the Class Members are not entitled to any new or additional compensation or

benefits as a result of having received the Individual Settlement Payments (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the period covered by this Settlement).

(c) **Allocation of the Remainder of The Net Settlement Sum and Reserve Fund.** This is a non-reversionary "all-in" settlement. No unclaimed amounts will revert to Defendant. 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, Plaintiffs' counsel will confer with the Administrator 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 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 Residue will be distributed to the *cy pres* beneficiary selected by the Parties: St. Christopher Truckers Development and Relief Fund, a nonprofit truck driver charity that helps over-the-road/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. Class Members who do not timely cash their Individual Settlement Payments and whose checks are cancelled shall nevertheless be bound by all of the terms of the Settlement, including without limitation, the applicable releases set forth herein. The fees and costs of the Settlement Administrator in performing this second distribution would come out of the Settlement Fund such that a second distribution would not result in any additional costs to Defendants including any employer side taxes which will be paid out of the Settlement Fund. If there is a second distribution, then any residual remaining after said distribution would be donated to the agreed-upon *cy pres* beneficiary.

(d) **Service Award and General Release by Named Plaintiffs.** Defendants agree not to challenge Class Counsel's request for Service Awards to Plaintiffs. The Service Awards will be paid in addition to Plaintiffs' Individual Settlement Payment.

(i) The Service Awards shall not exceed Thirty Thousand Dollars (\$30,000.00) in total, with each Named Plaintiff requesting an award of Seven Thousand Five Hundred Dollars (\$7,500.00). Should the Court award less than the amount sought by any Plaintiff, the difference shall revert to the Net Settlement Sum.

(ii) The Service Awards are for the Class Representative services and assistance to the Class throughout the over the period of this litigation, and additionally, in recognition for each of their willingness to provide a full and separate general release of any and all claims against Defendants regardless of whether such claims are known or unknown, suspected or unsuspected.

(iii) Named Plaintiffs, on behalf of themselves and each of their family members, heirs, representatives, attorneys, and assigns, hereby release the Released Parties from

all claims of any nature including but not limited to federal and state statutory claims, and federal and state common law claims. Named Plaintiffs expressly waive the protections of California Civil Code Section 1542. Named Plaintiffs understand and agree that claims or facts in addition to or different from those which are now known or believed by them to exist may hereafter be discovered. It is their intention to settle fully and release all of the claims they now have against the Released Parties, whether known or unknown, suspected or unsuspected. The Service Awards shall be paid to Named Plaintiffs specifically in exchange for the general release of the Released Parties from all claims.

(iv) Named Plaintiffs acknowledge they are expressly waiving any and all rights and benefits conferred by the provisions of Section 1542 of the California Civil Code, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

(v) Named Plaintiffs promise never to sue nor participate in any lawsuit against the Released Parties in any forum or for any reason related to the laws or theories covered by the release set forth herein. Named Plaintiffs expressly waive any rights or potential rights of recovery that they may have in a potential class, collective, or representative settlement in any actions related to the claims released herein.

(vi) A "covenant not to sue" is a legal term which means the Parties promise not to file a lawsuit in court, except to enforce this Agreement. It is different from a General Release of claims as set forth above. Besides waiving and releasing the claims as set forth herein, Named Plaintiffs further agree not to sue Defendants (or the Released Parties) in any forum for any reason, including but not limited to claims, laws or theories covered by the California and Washington Class Released Claims. Plaintiffs shall not sue, initiate against, or participate in any compliance review, action, lawsuit, or proceeding, individually or as a member of a class, representative, or collective action, including under any contract (expressed or implied), or brought pursuant to any federal, state, or local law, statute, or regulation pertaining in any manner to the claims being released herein, unless required by law or judicial process. Notwithstanding this Covenant, any Party may bring a claim against each other to enforce this Agreement or to challenge its validity. If any Named Plaintiff sues Defendants or any Released Party in violation of this Agreement, he shall be liable for all damages the court deems appropriate, including but not limited to all consideration paid under this Agreement.

(vii) Because the Service Awards represent payments to the Named Plaintiffs for their services to the Class Members, and not wages, taxes will not be withheld from the Named Plaintiff Service Awards. The Settlement Administrator will report the Service Awards on a Form 1099, which it will provide to the Named Plaintiffs and to the pertinent taxing authorities as required by law.

(viii) The Named Plaintiffs assume full responsibility for paying all taxes and penalties, if any, federal and state, due as a result of the Service Awards.

(e) **Class Counsel's Fees and Expense Award:** Defendant agrees not to challenge a motion or application by Class Counsel for a reasonable Fee and Expense Award up to the maximum amount of Three Million Four Hundred Sixteen Thousand Six Hundred and Sixty-Six Dollars and Sixty-Seven Cents (\$3,416,666.67) in attorneys' fees, plus an award of reasonable litigation expenses actually and necessarily incurred in the Action. Should the Fee and Expense Award approved by the Court be greater or less than the amount sought, the difference shall be taken from or added to the Net Settlement Sum as needed. Payment of the Fee and Expense Award to Class Counsel shall constitute full satisfaction of any obligation to pay any amounts to any person, attorney or law firm for attorneys' fees, expenses or costs in the Action, and shall relieve Defendants of any other claims or liability to any other attorney or law firm for any attorneys' fees, expenses and/or costs to which any of them may claim to be entitled on behalf of Plaintiffs and/or the Class.

6. RELEASE BY THE CLASSES AND PAGA EMPLOYEES

6.1 Upon the Effective Date: all California Settlement Class Members release and discharge Released Parties of any and all California Class Released Claims during the California Class Period, all Washington Settlement Class Members will release and discharge Released Parties of any and all Washington Class Released Claims during the Washington Class Period, all members of the FLSA Collective release and discharge Released Parties of any and all FLSA Released Claims during the FLSA Collective Period. The *res judicata* effect of the Judgment of will be the same as that of the California Class Released Claims for members of the California Class. The *res judicata* effect of the Judgment of will be the same as that of the Washington Class Released Claims for members of the Washington Class. Further, the *res judicata* effect of the Judgment of will be the same as that of the FLSA Released Claims for members of the FLSA Collective.

6.2 Upon the Effective Date, all PAGA Employees and the LWDA release and discharge Released Parties of any and all PAGA Released Claims during the PAGA Period. The *res judicata* effect of the Judgment will be the same as that of the PAGA Released Claims. The Parties expressly recognize that the LWDA, by failing to participate in the Action after receiving proper notice, has agreed to permit Plaintiffs to prosecute the Actions and that the LWDA is therefore bound by the terms of this Settlement and releases the PAGA Released Claims against the Released Parties.

7. VOIDING THE AGREEMENT

7.1 In the event of any of the following: (i) the Court does not approve the scope of the Class Released Claims or (ii) the Court finds the Maximum Settlement Sum is insufficient to warrant approval, Defendants may elect to reject this Settlement and the Settlement shall be null and void. In such case, the Class Members and Defendants shall be returned to their respective statuses as of the date immediately prior to the execution of this Settlement. In the event an appeal is filed from the Final Approval Order and Judgment, or any other appellate review is sought prior

to the Payment Obligation, administration of the Settlement, including disbursement of any payments of any settlement amounts, shall be stayed pending final resolution of the appeal or other appellate review.

8. PARTIES' AUTHORITY

8.1 The signatories hereto represent that they are fully authorized to enter into this Settlement and bind the Parties to the terms and conditions hereof.

9. MUTUAL FULL COOPERATION

9.1 The Parties and their counsel agree to fully cooperate with each other to accomplish the terms of this Settlement, including but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Settlement. The Parties to this Settlement shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement and the terms set forth herein. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions or actions that may become necessary to effectuate the terms of this Settlement, the Parties shall seek the assistance of the Court or the Mediator to resolve such disagreement.

10. NO ADMISSION

10.1 Nothing contained herein, nor the consummation of this Settlement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendants or any of the other Released Parties. Each of the Parties hereto has entered into this Settlement with the intention of avoiding further disputes and litigation with the attendant risk, inconvenience and expenses. This Settlement is a settlement document and shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408 and/or any other similar law, be inadmissible as evidence in any proceeding, except an action or proceeding to approve the settlement, and/or interpret or enforce this Settlement.

11. CONSTRUCTION

11.1 The Parties hereto agree that the terms and conditions of this Settlement are the result of lengthy, intensive arms' length negotiations between the Parties and that this Settlement shall not be construed in favor of or against any of the Parties by reason of the extent to which any Party or his or its counsel participated in the drafting of this Settlement.

12. JURISDICTION OF THE COURT

12.1 Except for those matters to be resolved by the Settlement Administrator as expressly stated, any dispute regarding the interpretation or validity or otherwise arising out of this Settlement, or relating to the Actions or the Class Released Claims, shall be subject to the exclusive jurisdiction of the Court, and the Plaintiffs, Class Members and Defendants agree to submit to the

personal and exclusive jurisdiction of the Court. The Court shall retain jurisdiction solely with respect to the interpretation, implementation and enforcement of the terms of this Settlement and all orders and judgments entered in connection therewith, and the Parties and their counsel submit to the jurisdiction of the Court for purposes of interpreting, implementing and enforcing the settlement embodied in this Settlement and all orders and judgments entered in connection therewith.

13. CALIFORNIA LAW GOVERNS

13.1 All terms of this Settlement and the exhibits hereto shall be governed by and interpreted according to the laws of the State of California, regardless of its conflict of laws.

14. INVALIDITY OF ANY PROVISION

14.1 The Parties request that before declaring any provision of this Stipulation of Settlement invalid, the Court shall first attempt to construe all provisions valid to the fullest extent possible consistent with applicable precedents and the Parties' expressed intentions.

15. AMENDMENT OR MODIFICATION

15.1 This Settlement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest.

16. ENTIRE AGREEMENT

16.1 This Settlement, including Exhibits attached hereto, contains the entire agreement between the Parties. All prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a party or such party's legal counsel, including the Memorandum of Agreement between the Parties, are merged herein.

17. INTERIM STAY OF PROCEEDINGS

17.1 The Parties agree to hold in abeyance all proceedings in the Actions, except such proceedings necessary to implement and complete the Settlement, pending the final approval hearing to be conducted by the Court.

18. COUNTERPARTS

18.1 This Settlement may be executed in counterparts, and when each of the Parties has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one fully signed Settlement, which shall be binding upon and effective as to all Parties.

IT IS SO AGREED.

Dated: 11/9/2022 _____

PLAINTIFF:

DocuSigned by:
TODD CHRISTENSEN
0601638FD3AF4B8

TODD CHRISTENSEN

Dated: _____

PLAINTIFF:

BRIAN FOSSE

Dated: _____

PLAINTIFF:

GREGG FREITAS

Dated: _____

PLAINTIFF:

RYAN CALVERT

Dated: _____

DEFENDANTS:

By: _____ on behalf of
HEARTLAND EXPRESS INC. OF IOWA on its
own behalf and as successor in interest to 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.

Dated: _____

PLAINTIFF:

TODD CHRISTENSEN

Dated: _____

PLAINTIFF:

BRIAN FOSSE

Dated: _____

PLAINTIFF:

GREGG FREITAS

Dated: 11 / 09 / 2022

PLAINTIFF:

R. J. Calvert

RYAN CALVERT

Dated: _____

DEFENDANTS:

By: _____ on behalf of
HEARTLAND EXPRESS INC. OF IOWA on its
own behalf and as successor in interest to 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.

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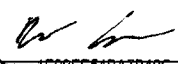
Dated: _____

PLAINTIFF:

TODD CHRISTENSEN

Dated: 11/15/2022

PLAINTIFF:

DocuSigned by:

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BRIAN FOSSE

Dated: _____

PLAINTIFF:

GREGG FREITAS

Dated: _____

PLAINTIFF:

RYAN CALVERT

Dated: _____

DEFENDANTS:

By: _____ on behalf of
HEARTLAND EXPRESS INC. OF IOWA on its
own behalf and as successor in interest to 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.

Dated: _____

PLAINTIFF:

TODD CHRISTENSEN

Dated: _____

PLAINTIFF:

BRIAN FOSSE

Dated: 11 / 09 / 2022

PLAINTIFF:

Gregg Freitas

GREGG FREITAS

Dated: _____

PLAINTIFF:

RYAN CALVERT

Dated: 12/28/22

DEFENDANTS:

By: _____

Christopher A Strain

Christopher A Strain on behalf of
HEARTLAND EXPRESS INC. OF IOWA on its
own behalf and as successor in interest to 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.

EXHIBIT A

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 NAME]:

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 "Heartland") 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 Amount, estimated to be
Approximately \$ [_____].**

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

California Class: Heartland's California-resident long-haul drivers whose last known address is in California and who drove for Heartland in the State of California for at least some portion of one or more weeks from December 20, 2013 through [INSERT PA DATE] excluding individuals who have released all of the California 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 Heartland ended at any point on or after December 20, 2014.

Washington Class: Heartland's long-haul drivers whose last known address was in the State of Washington and who drove for Heartland in the State of Washington for at least some portion of one or more week from November 15, 2015 through [INSERT PA DATE] excluding individuals who have released their claims against Heartland 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 Heartland as long-haul truck drivers. Plaintiffs and Heartland 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 Heartland 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 not 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 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 Defendants 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 Defendants 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.

Heartland denies all the claims and contentions alleged in the lawsuit and maintains it has fully complied with the law. The Court has not ruled on whether Heartland violated the law as alleged in the actions. Although Heartland has vigorously contested the allegations in the Actions to date and denies that it committed any wrongful action or violation of law, Plaintiffs and Heartland 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: Heartland’s long-haul drivers whose last known address is in California and who drove for Heartland in the State of California for at least some portion of one or more weeks from December 20, 2013 through [INSERT PA DATE], 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 Heartland ended at any point on or after December 20, 2014.

Washington Class: Heartland's long-haul drivers whose last known address is in Washington and who drove for Heartland in the State of Washington for at least some portion of one or more weeks from November 15, 2015 through [INSERT PA DATE], excluding individuals who have released all their claims against Heartland 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

Heartland will pay \$10,250,000.00 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 Defendants' 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 Heartland whose last known address was not in either California or Washington. If you are receiving this notice, you are not 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 Fund, which shall be calculated as follows:

i. California Class

Of the Net Settlement Fund, 85.5% will be allocated to the California Class for the release of the California 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 Heartland) from December 20, 2013 through [INSERT PA DATE].

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 Fund, 14.5% will be allocated to the Washington Class for the release of the Washington 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 Heartland) from November 15, 2015 through [INSERT PA DATE].

** The parties agreed to divide the Net Settlement Fund 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 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 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 Fairness Hearing and enters Judgment in accordance with the terms of the Settlement. However, it is possible that settlement approval could be appealed. If so, settlement payments will be made, if at all, after any such appeal is resolved.

To ensure that you receive your settlement payment check you must notify the Settlement Administrator if you change your mailing address. 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:

[INSERT]
[ADDRESS]
[PHONE#]

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 Heartland'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 Heartland's records, you worked a total of <<[insert] qualified workweeks as a member of the California Class>> <<and [insert] qualified workweeks as a member of the Washington Class>>.

If you disagree with Heartland's records regarding their number of workweeks credited to you and/or your estimated 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 Heartland'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 [Insert 60 days from initial mailing of Notice] to the Settlement Administrator at the following address:

[INSERT]
[ADDRESS]

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, Heartland'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 Fund 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 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-the-road/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 as a third party to administer the settlement, including mailing the notice, receiving challenges to estimated 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 attorney's fees and costs 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 Plaintiffs

The Court has also preliminarily approved a payment of \$7,500 to each of the Plaintiffs as a Service Award. The service award will be paid from the Maximum Settlement Amount in recognition of 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 Heartland.

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 Defendants between September 11, 2017 and [INSERT PA DATE]. 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 Defendants, such that Defendants 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 a settlement payment from the Net Settlement Fund. 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 a settlement payment from the Net Settlement Fund. 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 Heartland in this lawsuit.

7. HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?

If you do not wish to participate in the Settlement, you may exclude yourself (“opt out”) by sending a letter or written request submitted by [Insert Response Deadline] 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 [Insert Response Deadline] to the Settlement Administrator at the following address:

[INSERT]
[ADDRESS]

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 Heartland.

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 [Insert Response Deadline] 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; (4) the basis for your objection; and (5) whether you intend to appear at the Final Approval/Settlement Fairness Hearing. For an objection to be timely, it must be completed, signed, dated, and mailed with a postmark date of no later than [Insert Response Deadline] to the Settlement Administrator at the following address:

[INSERT]
[ADDRESS]

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 California Settlement Class Members who do not opt out of the Settlement will release and discharge Released Parties of any and all California Released Claims from December 20, 2013 through [INSERT PA DATE]. 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 [INSERT PA DATE].

The "California 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 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 [INSERT PA DATE], 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 complaint, 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 Graham Hollis, 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:

GRAHAMHOLLIS APC
Graham S. P. Hollis
ghollis@grahamhollis.com
Nathan J. Reese

SCHNEIDER WALLACE
COTTRELL KONECKY LLP
Joshua Konecky
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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 [DATE] at [TIME] 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 [insert]. 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.

EXHIBIT B

**MUST BE
POSTMARKED
NO LATER
THAN
<<60 days
following
mailing>>**

For Office Use Only

CONSENT TO JOIN FORM

Fair Labor Standards Act of 1938, 29 U.S.C. §
216(b)

By signing and submitting this Consent to Join, in accordance with the Notice of Fair Labor Standards Act Settlement (“FSLA Notice”) and the parties’ Stipulation of Settlement and Release (“Settlement Agreement”) described therein, I hereby agree and opt into the settlement in the cases titled *In re Heartland Express Wage and Hour & Freitas et al., v Heartland Express, Inc. of Iowa*. I also submit to the jurisdiction of the California Superior Court, County of San Bernardino, with respect to my claims as a member of the FLSA Collective for purposes of enforcing the release of the FLSA Released Claims, as defined and set forth in the Settlement Agreement and FLSA Notice.

I acknowledge that by submitting this Consent to Join, I will be bound by and subject to the terms of any judgment that may be entered in this action and I hereby consent in writing to become a party plaintiff in the above action pursuant to Section 216(b) of the Fair Labor Standards Act, and authorize Class Counsel (as defined in the Settlement Agreement and FLSA Notice) to act on my behalf in all matters relating to this action, including the settlement of my claims.

Under penalty of perjury, my signature below certifies that I have read the FLSA Notice in the lawsuits entitled *In re Heartland Express Wage and Hour Cases & Freitas et al., v Heartland Express, Inc. of Iowa* and I understand that I hereby will release and discharge Heartland Express, Inc. of Iowa and Interstate Distributor Co. and any of 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, including specifically Gordon Trucking, Inc., Interstate Distributor, Co. and its parent company Saltchuk Resources, Inc., and any of their parent companies, predecessors, subsidiaries and all other affiliated or related entities including any of their current and former directors, officers and employees, of any and all FLSA Released Claims.

**RETURN THIS SIGNED FORM POSTMARKED
NO LATER THAN <<60 days following mailing>>.**

SIGNATURE: _____

PRINTED NAME: <<FIRSTNAME>> <<LASTNAME>> _____

DATED: ____ / ____ / _____

**FORM CONTINUES ON RESERVE SIDE,
Please check your personal information on the reverse side and update if necessary.**



Please complete this form and return to the following address,
postmarked no later than <<60 days following mailing>>:

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
c/o [insert administrator name
and address]

Personal Information:

Individual ID: <<refnum>>

<<firstname>> <<lastname>>

<<address>>

<<address2>>

<<city>>, <<state>> <<zip>>

CORRECTIONS OR ADDITIONAL INFORMATION

If different than the preprinted data above, please print your correct legal name and current address below **OR** if there is no data above, please print your correct legal name and current address here:

First Name MI Last Name

Address

City State Zip Code

Email (optional)

Telephone Number

EXHIBIT C

<<refnum barcode>>

Individual ID: <<refnum>>

<<Firstname>> <<Lastname>>

<<address1>>

<<address2>>

<<city>>, <<state>> <<zip>>

California Superior Court, County of San Bernardino

OFFICIAL COURT AUTHORIZED
NOTICE OF FAIR LABOR STANDARDS ACT SETTLEMENT
(This is not a solicitation from a lawyer)

If you were a United States resident long-haul driver of Heartland Express Inc., of Iowa and/or Interstate Distributor Co. (collectively "Heartland") who worked for Heartland during the period of September 1, 2019 and <<insert PA date>>, please read this notice.

- Former long-haul drivers employed by Heartland filed the following class, collective, and representative action lawsuits against Heartland: *In re Heartland Express Wage and Hour Cases*, case no. JCPDS5045, pending in Superior court of the State of California, County of San Bernardino ("Christensen Action"); and *Gregg Freitas et al. v Heartland Express Inc. of Iowa et al*, case no. 2:19-cv-00383-SAB, pending in the United States District Court of the Eastern District of Washington ("Freitas Action").
- The Freitas Action was brought by two former employees of Heartland ("Plaintiffs") and alleged that Heartland failed to pay its long-haul drivers minimum wage, in violation of the Fair Labor Standards Act.
- Heartland denies that the claims have merit. Heartland contends that it has paid its long-haul drivers properly under the Fair Labor Standards Act and that the matter cannot proceed as a collective action.
- The Court has not decided who is right or wrong or whether the claims can proceed on a collective basis.
- A settlement has been reached in the litigation pending court approval.
- The Court authorized the parties to send notice of this lawsuit under the Fair Labor Standards Act to as part of the settlement to individuals employed by Heartland as a long-haul driver March 20, 2020 and <<insert PA date>> to inform them of their eligibility to participate in the settlement.

1. WHY DID I GET THIS NOTICE?

The court overseeing this case granted "conditional certification" for settlement purposes and directed that notice of the lawsuit and proposed settlement be sent to current and former long-haul drivers who worked for Heartland between September 1, 2019 and <<insert PA date>>. This notice has been sent to you because

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****NOTE**** Submit a Consent to Join form as soon as possible
if you wish to preserve your rights and to be included in this case.

Heartland's records indicate that you are or were a long-haul driver employed by Heartland between September 1, 2019 and <<insert PA date>>. This notice is intended to inform you of this lawsuit and your right to participate in the settlement by joining as an opt-in plaintiff.

2. WHAT IS THE LAWSUIT ABOUT?

The plaintiffs in the lawsuit allege that Heartland denied United States resident long-haul drivers minimum wages by requiring them to perform work off-the-clock without compensation. The categories of work Plaintiffs allege were not compensated include time spent engaging in pre and post trip duties when logged in as "off duty" or "sleeper berth." This may include time spent before and after drivers' trips, time attending the drivers' vehicles, and other tasks. Plaintiffs allege that the off-the-clock work results in the denial of minimum wage. Heartland denies that the claims have merit. Heartland contends that it has paid the long-haul drivers properly under the Fair Labor Standards Act.

3. WHAT ARE MY CHOICES?

If you worked for Heartland as a long-haul truck driver in the United States at any time September 1, 2019 and the <<insert PA date>>, you are eligible to join the collective and participate in the settlement.

Your Consent to Join Form must be postmarked by <<60 days from mailing>> to be considered timely.

4. HOW WILL MY FLSA SETTLEMENT PAYMENT BE DETERMINED?

As part of the settlement, \$200,000 has been allocated to the FLSA Settlement Fund, which will be used to compensate eligible drivers who submit a Consent to Join. If you submit a Consent to Join, you will receive a payment based on your total number of workweeks as a United States resident long-haul driver of Heartland between the period of September 1, 2019 and <<insert PA date>>. If you submit a Consent to Join, your payment will be the gross amount of your pro rata portion of the FLSA Settlement Fund. Your pro rata portion will be determined by multiplying the FLSA Settlement Fund by the percentage of total workweeks for all drivers who submit a Consent to Join that is made up by your total workweeks. Heartland's records show that during the relevant period (September 1, 2019 and <<insert PA date>>) your total number of workweeks are: <<NUMBER OF WORKWEEKS>>. Together, all the potential members of the FLSA collective are estimated to have worked approximately 260,000 workweeks as of October 2022. However, the total amount of workweeks that will be used to calculate your potential FLSA settlement payment will be only those weeks worked by individuals who submit a Consent to Join. This depends on the number of eligible individuals who submit a Consent to Join.

5. WHAT IF I WISH TO CHALLENGE MY WORKWEEKS?

If you wish to dispute the workweeks data above, you must postmark your dispute and provide all supporting information and/or documentation to the Settlement Administrator by <<Opt In Date>>.

Questions? Call [insert] or visit the website [insert]

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****NOTE**** Submit a Consent to Join form as soon as possible if you wish to preserve your rights and to be included in this case.

6. WHAT HAPPENS IF I SUBMIT A CONSENT TO JOIN?

If you submit a Consent to Join, you will:

- Be considered an opt-in plaintiff and submit to the jurisdiction of the [ADD COURT OVERSEEING SETTLEMENT].
- Be bound by the terms of the settlement release, meaning that you will release and discharge Heartland and its 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, including specifically 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 (the “Released Parties”) of any and all federal wage and hour law claims, that are pled in Plaintiffs’ operative complaints in the *Freitas* and/or *Christensen* Actions, or which could have been pled based upon the factual allegations in these complaints, arising under the Fair Labor Standards Act of 1938 (“FLSA”), as amended, 29 U.S.C. §201 *et seq* during the period of September 1, 2019 and the <<insert PA date>> (“FLSA Released Claims”). As such, you will be barred from pursuing any of the claims alleged in this lawsuit against the Released Parties.
- You consent to be represented by Class Counsel, as identified below.

If you mail a Consent to Join to the Settlement Administrator that is postmarked on or before **60 days from mailing** and the Court ultimately approves the settlement, you will receive your portion of the settlement allocated to the release of claims under the Fair Labor Standards Act of 1938, 29 U.S.C. § 203.

7. WHAT HAPPENS IF I DO NOT JOIN?

If you do not join, you will not be entitled to share in any amounts recovered under the settlement in this action. Your rights under the FLSA will not be affected by any judgment issued or settlement approved.

8. HOW DO I JOIN?

IF YOU WISH TO TAKE PART IN THIS SETTLEMENT, YOU MUST SUBMIT A “CONSENT TO JOIN” FORM BY SIGNING AND MAILING THE FORM ENCLOSED HEREIN TO THE FOLLOWING ADDRESS:

[INSERT]
[ADDRESS]

The Consent to Join form must be postmarked by <<60 days from mailing>> to be considered timely. The return envelope has been pre-addressed and pre-paid for your convenience.

Questions? Call [insert] or visit the website [insert]

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****NOTE**** *Submit a Consent to Join form as soon as possible if you wish to preserve your rights and to be included in this case.*

9. HOW CAN I GET MORE INFORMATION?

Additional information, including a full copy of the parties Stipulation of Settlement and Release (“Settlement Agreement”) can be obtained by contacting the Plaintiffs’ lawyers (listed below) or reviewing the Settlement website at [ADD SETTLEMENT WEBSITE].

The Court file in the *Freitas* Action can be examined in person at the Clerk’s Office of the United States District Court, Thomas S. Foley United States Courthouse, 920 West Riverside Ave, Spokane, WA 99201. Court documents may also be viewed electronically for a charge by visiting the Court’s Electronic Records database PACER at www.pacer.gov, and inputting the case information. Other than in-person requests to examine the file at the Clerk’s office, no inquiries concerning this case should be directed to the Court or to the Clerk of the Court.

The Court file in the *Christensen* Action can be examined in person at the Clerk’s Office Superior Court of California, County of San Bernardino, San Bernardino District – Civil Division, 247 West Third Street, San Bernardino, CA 92415-0210. Court documents may also be viewed electronically for a charge by visiting the Court’s Electronic Records database at <https://www.sb-court.org/divisions/civil-general-information/court-case-information-and-document-sales>.

10. WHO ARE THE ATTORNEYS REPRESENTING THE PLAINTIFFS?

Plaintiffs are represented by the following attorneys:

GRAHAMHOLLIS APC	SCHNEIDER WALLACE	TERRELL MARSHALL
Graham S. P. Hollis	COTTRELL KONECKY LLP	LAW GROUP PLLC
ghollis@grahamhollis.com	Joshua Konecky	Toby J. Marshall
Nathan J. Reese	jkonecky@schneiderwallace.com	tmarshall@terrellmarshall.com
nreese@grahamhollis.com	Nathan Piller	Erika L. Nusser
3555 Fifth Avenue, Ste 200	npiller@schneiderwallace.com	enusser@terrellmarshall.com
San Diego, CA 92103	2000 Powell Street, Suite 1400	936 N 34th St #300
Telephone: (619) 906-4017	Emeryville, California 94608	Seattle, WA 98103
	Telephone: (415) 421-7100	Telephone: (206) 816-6603

You may also choose to retain alternative counsel of your choice.

***THIS NOTICE AND ITS CONTENTS HAVE BEEN AUTHORIZED BY
THE COURT, THE HONORABLE DAVID S. COHN,
SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN BERNARDINO***

PLEASE DO NOT CONTACT THE COURT.

Questions? Call [insert] or visit the website [insert]

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****NOTE**** *Submit a Consent to Join form as soon as possible
if you wish to preserve your rights and to be included in this case.*