NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND HEARING DATE FOR COURT APPROVAL

Slack v. Swift Transportation Co. of Arizona, LLC, U.S. District Court, Western District of Washington at Tacoma, Case No. 3:11-cv-05843-BHS

YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE READ THIS NOTICE CAREFULLY.

This Notice provides information about a proposed class action settlement concerning allegations that Swift Transportation Co. of Arizona, LLC ("Swift"): (i) failed to pay overtime to its Washington-based dedicated drivers ("Overtime Claim"); (ii) failed to pay certain Washington-based dedicated drivers for attendance at company orientation in Washington State ("Orientation Claim"); (iii) made unlawful deductions from the wages of Washington-based dedicated drivers who participated in the company's per diem plan ("Per Diem Claim"); and that (iv) Swift did all of these things willfully.

Swift denies these allegations and denies it did anything wrong.

All Class Members are eligible to participate in the settlement of the Overtime Claim. Not all Class Members will qualify to participate in the settlement of the Orientation Claim or the Per Diem Claim. Read this Notice carefully to determine what aspects of the settlement you may qualify for and what action you must take to protect your rights.

The relevant time period for this Class is July 18, 2008 through October 10, 2017 (the "Class Period").

The Court in charge of this case still must decide whether to approve this settlement, and payments will only be made after the Court grants "final approval" and after any appeals are resolved. Please be patient; this process can take a long time.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment for Overtime Claim	If you are a member of the Class, you will automatically receive a payment related to the settlement of the Overtime Claim, if you do not exclude yourself. In exchange for the settlement payment, you will release claims against Swift as detailed below.
Do Nothing and Receive a Payment for Per Diem Claim (If Qualified)	If you are a member of the Class and participated in the Swift per diem plan during the Class Period, you will automatically receive a payment related to the settlement of the Per Diem Claim, if you do not exclude yourself. Not all Class Members will have a qualified Per Diem Claim. Details of your eligibility are provided below. In exchange for the settlement payment, you will release claims against Swift as detailed below.
Submit a Claim Form for Orientation Pay and Receive an Additional Payment (If Qualified)	If you are a member of the Class and attended Swift orientation in Washington State during the Class Period and were not fully paid for that attendance, you may fill out a Claim Form. Instructions are provided below. Not all Class Members will have a qualified Orientation Claim. You will receive a payment related to the settlement of the Orientation Claim, if you have a qualified Orientation Claim and you submit a Claim Form, and you do not exclude yourself. In exchange for the settlement payment, you will release claims against Swift as detailed below.
Update Your Address	After final approval by the Court, your payment will be mailed to you at the same address as this Notice. If your address has changed, please notify the Settlement Administrator as explained below.
Opt Out ("Exclude Yourself") from the Settlement	To exclude yourself from the settlement, you must send a letter to the Settlement Administrator. If you request exclusion, you will receive no money from the settlement and will release no claims . If you exclude yourself from the settlement, you may not also object to the settlement. Instructions are provided below.
Object to the Settlement	You may write to the Court about why you do not like the settlement. If you object to the settlement, and the Court overrules your objection, you will still be bound by the settlement, you will still receive your settlement payments, and you will still release claims against Swift as detailed below. Instructions are provided below.
Go to a Hearing	The Court will hold a hearing for the settlement to decide whether to approve it. You may ask to speak in Court about the fairness of the settlement. Details are provided below.

BASIC INFORMATION

1. Why did I get this Notice?

A proposed class action settlement (the "Settlement") of the above-captioned lawsuit pending in the United States District Court for the Western District of Washington at Tacoma (the "Court") has been reached between Plaintiffs Troy Slack, Jacob Grismer, Richard Erickson, Scott Praye, Gary H. Roberts, Robert P. Ullrich, Henry Ledesma, Timothy Helmick, Dennis Stuber, and Sean P. Forney ("Class Representative Plaintiffs") and Defendant Swift Transportation Co. of Arizona, LLC ("Swift"), and has been granted preliminary approval by the Court. You may be entitled to receive money from this Settlement.

You have received this Notice because you have been identified as a possible member of the Class, which is defined as:

All current and former Swift employee dedicated drivers who were assigned by Swift to a Washington position and/or terminal after July 18, 2008 through October 10, 2017; and who were paid by the mile and worked in excess of forty hours in a week; or who participated in and completed Swift's new driver Orientation Program in a Washington location; or who participated in Swift's Per Diem Plan for mileage-based drivers.

For purposes of the Settlement, "Dedicated Driver" means any current or former employee driver who was assigned by Swift to a terminal and/or customer facility physically located in Washington State at any time after July 18, 2008 through October 10, 2017 and, during that assignment, drove routes for a single specified customer account.

This Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

The fact that you received this Notice does not necessarily mean that you are a member of the Class or that you are entitled to any settlement proceeds.

You were sent this Notice because, as a possible Class Member, you have a right to know about the proposed class action settlement, and about all your options before the Court decides whether to give "final approval" to the settlement.

2. What is the Lawsuit about?

On July 18, 2011, Plaintiffs filed a lawsuit against Swift. The lawsuit is now pending in the United States District Court for the Western District of Washington at Tacoma as *Slack v. Swift Transportation Co. of Arizona, LLC*, Case No. 3:11-cv-05843-BHS (the "Lawsuit").

In the Lawsuit, Plaintiffs alleged, among other things, that (i) Swift paid the Class drivers by the mile and failed to pay overtime, or the reasonable equivalent of overtime, as required by Washington State law for all hours over forty hours in a week; (ii) Swift failed to pay some Class members who attended Swift orientation in Washington State for attendance at the orientation; and (iii) Swift unlawfully deducted and withheld portions of the mileage pay for Class members who participated in the Swift per diem plan.

The Court has determined that Swift is liable to Plaintiffs and the Class for their Orientation Claims, but has made no findings regarding the Overtime Claim and Per Diem Claim. Swift denies all of the allegations asserted in the Lawsuit.

The Court granted preliminary approval of the Settlement on October 9, 2018.

3. What is a Class Action and who are the Parties?

In a class action lawsuit, one or more people, called "Class Representatives," sue on behalf of people who have similar claims. All these people together are Plaintiffs to the litigation and are referred to as the "Class" or "Class Members." One court resolves the issues for all Class Members, except for those who choose to exclude themselves from the Class (see Section 18).

The defendant, or party being sued in the case, is Swift Transportation Co. of Arizona, LLC ("Defendant"). Together, the Class Representatives and the Defendant are called the "Parties."

4. Do I have a lawyer in this case?

Yes. The Court has appointed the law firm listed below to represent you and other Class Members in the Settlement. These lawyers are called Class Counsel. You will not be charged for services performed by Class Counsel. If you want to be represented by your own lawyer, you may hire one at your own expense.

If you want to contact Class Counsel about this Settlement, they can be reached at the address below and telephone number below.

CLASS COUNSEL HAGENS BERMAN SOBOL SHAPIRO LLP

1301 Second Avenue, Suite 2000 Seattle, WA 98101 Tel: (206) 623-7292

THE SETTLEMENT BENEFITS - WHAT YOU GET IF YOU QUALIFY

5. What does the Settlement provide?

<u>Settlement Fund</u>. Defendant has agreed to pay Five Million Fifty Thousand Dollars and No Cents (\$5,050,000.00) (the "Settlement Fund") to settle the Lawsuit claims. This entire amount will be paid to Class members as described below. Swift will pay the costs of administering the Settlement, and attorneys' fees and costs (as approved by the Court) in addition to the Settlement Fund as described below.

Amounts to be Paid From the Settlement Fund. The Court has tentatively approved certain payments to be made from the Settlement Fund before settlement payments are made to Class Members who do not timely opt out of the Settlement ("Participating Class Members"). Those payments are:

- <u>Service Payments</u>. Service Payments of \$7,500.00 each to the Class Representatives, or such lesser amount as may be approved by the Court, to compensate them for their time, effort, and services on behalf of the Class in initiating and prosecuting the Lawsuit, and for the risks they undertook by doing so. This payment is in addition to whatever payments the Class Representatives are otherwise entitled to as Class Members.
- <u>Settlement Fund Taxes and Tax Expenses</u>. All taxes which accrue with respect to any interest income earned by the Settlement Fund prior to distribution to Participating Class Members and any expenses and costs incurred in connection with the payment of taxes related to the Settlement Fund ("Tax Expenses"). Taxes and Tax Expenses do not relate to taxes and tax expenses that may accrue to individual Class Members as a result of settlement distributions.

These payments are subject to final Court approval.

<u>Settlement Administration Expenses</u>. Swift has agreed to pay for the expenses of settlement administration, including expenses of notifying the Class of the Settlement, processing opt-outs, and calculating and distributing settlement payments to Participating Class Members. It is estimated that the Settlement Administration Expenses will be no more than \$40,000.

Attorneys' Fees and Costs. Swift has agreed to pay \$2,050,000 to Class Counsel for its reasonable attorneys' fees and actual litigation costs billed to the Plaintiffs, if this amount if approved by the Court. Class Counsel has been prosecuting the Lawsuit on behalf of Plaintiffs and the Class on a contingency fee basis (that is, without being paid any money) and has been paying all out-of-pocket litigation costs and expenses. The Attorneys' Fees and Costs are not part of the Settlement Fund, and were negotiated separately from the Settlement Fund. Class Counsel must ask the Court to approve their fees and costs. The Attorneys' Fees and Costs are subject to Court approval.

<u>Conditions of Settlement</u>. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

PAYMENT AMOUNTS

6. How much will my payment be?

The exact amount each qualifying Class Member will receive for each category of damages cannot be calculated until (1) the Court finally approves the settlement; (2) amounts are deducted from the Settlement Fund for any Class Representative Service payments, and Taxes and Tax Expenses; and (3) the Settlement Administrator determines the number of Participating

Class Members. For these reasons, the calculations provided in this Notice are estimates only. Estimates of your individual recovery are provided below. Because these are estimated, the actual amount you receive may go up or down.

Tax Reporting Related to Settlement Payments. The Settlement Administrator will issue both a Form W-2 and Form 1099 to each Participating Class Member, with 40% of each Settlement Share reported on the Form W-2 as claimed wages and the 60% reported on the Form 1099 as claimed penalties and interest. The Participating Class Members are responsible for all federal, state, and local tax filings and liabilities that may result from such payments subject to reporting on a Form 1099. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

7. How much will my payment for the Overtime Claim be?

Calculation of Payments to Qualified Overtime Claimants.

The Overtime Damages Fund shall be the Settlement Fund less the total amount paid for Orientation Claims, Per Diem Claims, any Class Representative service awards, and Taxes and Tax Expenses.

Each Class Member will be assigned a share of the Overtime Settlement Fund, which will be based on the Class Member's actual overtime hours worked in a dedicated position (as reflected in Swift's employment records), multiplied by such Class Member's per mile pay rate at the time the overtime hours were worked. Each Class Member shall have Individual Overtime Damages equal to their share of the Overtime Damages Fund based upon the Class Member's share of the Overtime Settlement Fund divided by the sum of all Class Members' share of the Overtime Settlement Fund.

Swift's records show that you have << HrsWkd>> overtime hours when your per mile rate ranged from \$<< LowRate>> to \$<< HighRate>> during the Class Period.

Based on this information, your estimated Settlement Share for the Overtime Claim is calculated to be \$<<OT>>.

8. Why is the payment for the Overtime Claim calculated using an Overtime Pay Factor?

To ensure fairness, it is important that each Class Member receive payment for their Overtime Claim that is based upon both the number of overtime hours that were worked *and* their per-mile rate as compared to the rate of other drivers at the same time. But since the per-mile rate is just that, the amount you were paid per mile, it cannot be used to directly calculate a per-hour rate for overtime actually worked. Thus, the simplest and fairest method is to create and use the Overtime Pay Factor, which is simply the overtime hours worked multiplied by the your per-mile rate at the time the hours were worked. This factor means nothing standing on its own. But when every Class Member has an Overtime Pay Factor calculated this same way, then each Class Member's Overtime Pay Factor divided by the sum of all Class Members' Overtime Pay Factors fairly provides each Class Member with a portion of the Overtime Damages Fund that is directly proportional to the number of overtime hours worked *and* the per-mile pay rate at the time the hours were worked.

For example, if two Class Members worked the same overtime hours, but one had a per-mile rate that was 20% higher, then the Class Member with the higher per-mile rate would get a 20% higher payment. Likewise, if two Class Members had the same per-mile rate, but one worked 20% more hours, then the Class Member with the higher hours would get a 20% higher payment.

9. How can I get a payment for the Overtime Claim?

To receive a payment for the Overtime Claim under this Settlement, you do not have to do anything. A check for your Settlement Share for the Overtime Claim will be mailed automatically to the same address as this Notice if you do not exclude yourself. If your address is incorrect or has changed, you must inform the Settlement Administrator. The Settlement Administrator is:

Slack v. Swift Transportation Co. of Arizona, LLC Settlement Administrator P.O. Box 404000 Louisville, KY 40233-4000

10. Am I qualified for a payment for the Per Diem Claim?

Swift's records show that you << PerDiem>> the Swift Per Diem Plan.

11. How much will my payment for the Per Diem Claim Be?

Calculation of Payments to Qualified Per Diem Claimants

Not all Class Members have a qualified Per Diem Claim. To qualify for an award of damages for the Per Diem Claim, Class Members must have participated in the Swift Per Diem Plan.

Each Class Member with a qualified Per Diem Claim will receive payment that is equal to sixty-six percent (66%) of the Per Diem Plan amounts Swift withheld from the Class Member, without reimbursement, as reflected in Swift records.

Based on Swift records, your estimated Settlement Share for the Per Diem Claim is \$<< PDEstSet>>.

12. How can I get a payment for the Per Diem Claim?

To receive a payment for the Per Diem Claim under this Settlement, you do not have to do anything. A check for your Settlement Share for the Per Diem claim will be mailed automatically to the same address as this Notice, if you do not exclude yourself. If your address is incorrect or has changed, you must inform the Settlement Administrator. The Settlement Administrator is:

Slack v. Swift Transportation Co. of Arizona, LLC Settlement Administrator P.O. Box 404000 Louisville, KY 40233-4000

13. Am I qualified for a payment for the Orientation Claim?

To qualify for a payment for the Orientation Claim, you must have attended a Swift orientation in Washington State between July 18, 2008 and October 10, 2017, and not have been fully paid for attendance at the orientation.

Swift's records show that you << Orientation >> attend orientation in Washington State between July 18, 2008 and October 10, 2017.

If you believe that you attended orientation in Washington State between July 18, 2008 and October 10, 2017, and were not fully paid for attendance and Swift's records do not reflect this, you must contact the Settlement Administrator and request a claim form.

The Settlement Administrator is:

Slack v. Swift Transportation Co. of Arizona, LLC Settlement Administrator
P.O. Box 404000
Louisville, KY 40233-4000

14. How can I get a payment for the Orientation Claim if I am qualified?

To obtain a payment for Swift orientation in Washington State during the Class Period, you must return a completed Settlement Claim Form For Orientation Claim attesting under penalty of perjury that you attended orientation in Washington State during the Class Period and were not paid, provide the approximate dates of attendance, the location of the orientation, sign the form, and return it to the address below by **December 3, 2018**.

Slack v. Swift Transportation Co. of Arizona, LLC Settlement Administrator P.O. Box 404000 Louisville, KY 40233-4000

Claims Forms that are postmarked after **December 3, 2018**, or are unsigned by the Class Member, will be rejected and you will not receive a payment for the Orientation claim.

A Claim Form is enclosed with this Notice if Swift records show that you attended an orientation in Washington and were not fully paid. If necessary, a replacement Claim Form may be obtained from the Settlement Administrator website at www.SwiftTransportationWADedicatedDriversClassAction.com, or you may call the Settlement Administrator at 1-866-860-8929.

15. How much will my payment for the Orientation Claim be?

Each Class Member eligible for payment for the Orientation Claim will be paid for sixteen hours of attendance multiplied by the Washington State minimum hourly wage rate in effect at the time the Class Member completed his or her orientation.

Based on Swift's records, your estimated recovery for the Orientation claim is \$<< OrientationEstSet>>.

16. When will I be paid?

Payments for all valid claims will be mailed to eligible Class Members, but only after the Fairness Hearing, if the Court grants "final approval" of the settlement, and after any appeals are resolved. The exact timing is always uncertain. As of the date of this Notice, assuming no appeals, payments should be sent by March 2019.

17. What am I giving up to get a payment or stay in the settlement?

Unless you exclude yourself from the settlement, you are staying in the Class as a Participating Class Member. This means that all of the Court's orders will apply to you and legally bind you, and that you cannot sue or be part of any other lawsuit against Swift (or any of the other related entities listed as "Released Parties" in the Settlement Agreement) about the legal claims resolved in the Settlement.

The details of the release are set out in more detail in the Settlement Agreement, which is posted at www.SwiftTransportationWADedicatedDriversClassAction.com. (See Settlement Agreement, ¶¶ V 1-3). The release contains specific legal terminology. Talk to Class Counsel or your own lawyer if you have questions about what it means and what you are releasing.

EXCLUDING YOURSELF FROM THE SETTLEMENT ("OPTING OUT")

18. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may request to be excluded from the Settlement (also called "opting out" of the settlement), which removes you from the Settlement. If you exclude yourself from the Settlement, you will receive no money from the Settlement, and you cannot object to the Settlement. You will not be legally bound by anything that happens in the Lawsuit.

To request exclusion, you must submit a **letter** to the Settlement Administrator by first-class mail with a clear statement that you want to be excluded from the settlement in the *Slack v. Swift Transportation Co. of Arizona, LLC* Class Action, case no. 3:11-cv-05843-BHS. Be sure to include your **name, address, telephone number**, and your **signature**. You cannot exclude yourself by phone, by email, or on the website.

You must mail your exclusion request, postmarked no later than December 3, 2018, to the following:

Slack v. Swift Transportation Co. of Arizona, LLC Settlement Administrator P.O. Box 404000 Louisville, KY 40233-4000

OBJECTING TO THE SETTLEMENT

19. How do I tell the Court that I don't like the Settlement?

Any Class Member who has not requested to opt out of the Settlement and believes that the Settlement should not be finally approved by the Court for any reason, will have thirty (30) days after the date on which the Settlement Administrator mails the Class Notice to object to the Settlement by mailing a written objection to the Settlement, Service Payments, and/or the Attorneys' Fees and Costs to the Court and to counsel.

You can object if you do not like any part of the proposed settlement, including the calculations for individual settlement amounts, or the request for the attorneys' Fee and Expense Award, or the request for Incentive Awards to the Class Representatives. You can give reasons why you think the Court should not approve any or all of these items, and the Court will consider your views.

A Class Member who does not serve a written objection in the manner and by the deadline specified above will be deemed to have waived any objection and will be precluded from making any objection to the Settlement.

You CANNOT object in order to ask the Court for a higher payment for yourself personally, although you can object to the payment terms that apply generally to the Class. The Court can only approve or disapprove the settlement, but cannot change how much money you are personally eligible to receive from the settlement.

To object, you must **mail** your objection to the Court and to the Parties' counsel.

You must include the following information in your objection:

- your full name, address, telephone number, and signature;
- the name and number of the case, which is *Slack v. Swift Transportation Co. of Arizona LLC*, in the United States District Court for the Western District of Washington at Tacoma, Case No. 3:11-cv-05843-BHS;
- the specific reasons why you object to the settlement;

- the name, address, bar number, and telephone number of your counsel, if you are represented by an attorney. If you are represented by an attorney, he/she or they must comply with all applicable laws and rules for filing pleadings and documents in the Western District of Washington; and
- state whether you intend to appear at the Fairness Hearing, either in person or through counsel.

To be timely, your objection must be mailed to the Court and counsel so that it is **postmarked by December 3, 2018.**

Unless you submit a proper and timely written objection, according to the above requirements, you will not be allowed to object to the settlement or appear at the Fairness Hearing. You cannot object by phone, by email, or on the website.

To object to the Settlement, you must not request exclusion, and if the Court approves the Settlement, you will be bound by the terms of the Settlement and will still receive a payment for your Settlement Share.

The address for the Court is:

The Honorable Benjamin H. Settle United States Courthouse 1717 Pacific Avenue, Room 3100 Tacoma, WA 98402-3200

The addresses for the Parties' counsel are as follows:

Class Counsel:

HAGENS BERMAN SOBOL SHAPIRO LLP 1301 Second Avenue, Suite 2000 Seattle, WA 98101 Telephone: (206) 623-7292 Facsimile: (206) 623-0594

Counsel for Defendant:

WILLIAMS KASTNER 601 Union Street, Suite 4100 Seattle, WA 98101 Telephone: (206) 628-6600 Facsimile: (206) 628-6611

20. What's the difference between objecting and excluding yourself?

Objecting is simply telling the Court that you do not like something about the settlement. Excluding yourself is telling the Court that you do not want to be part of the settlement. If you exclude yourself, you have no basis to object, because the case no longer affects you. If you object, and the Court approves the settlement anyway, you will still be legally bound by the result.

THE COURT'S FAIRNESS HEARING

21. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing on **January 22, 2019, at 10:00 a.m.** at the United States Courthouse, located at 1717 Pacific Avenue, Room 3100, Tacoma, WA 98402-3200 before the Honorable Benjamin H. Settle. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely objection and requested to speak at the hearing. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing either personally or through an attorney.

GETTING MORE INFORMATION

22. How do I get more information about the Settlement?

The Notice summarizes the proposed settlement. For the precise terms and conditions of the settlement, please see the Settlement Agreement available at www.SwiftTransportationWADedicatedDriversClassAction.com.

YOU MAY OBTAIN ADDITIONAL INFORMATION BY:

<u>VISITING THE SETTLEMENT WEBSITE</u>. Visit <u>www.SwiftTransportationWADedicatedDriversClassAction.com</u>, where you will find answers to common questions about the settlement, plus other information to help you.

CALLING. Call the Settlement Administrator toll-free at 1-866-860-8929 to ask questions and receive copies of documents.

EMAILING. Email the Settlement Administrator at claiminfo@SwiftTransportationWADedicatedDriversClassAction.com

WRITING. Send your questions by mail to:

Slack v. Swift Transportation Co. of Arizona, LLC Settlement Administrator P.O. Box 404000 Louisville, KY 40233-4000

REVIEWING LEGAL DOCUMENTS. You can review the legal documents that have been filed with the Clerk of the Court in the case at:

United States Courthouse 1717 Pacific Avenue Tacoma, WA 98402-3200

Some of the legal documents are also located on the settlement website.

<u>ACCESSING PACER</u>. You can access the Court dockets in the case through the Court's Public Access to Court Electronic Records (PACER) system at http://www.wawd.uscourts.gov/ and entering the Case No. 3:11-cv-05843-BHS.

PLEASE <u>DO NOT</u> CALL THE JUDGE OR THE COURT TO ASK QUESTIONS ABOUT THE LAWSUIT, THE SETTLEMENT, OR THIS NOTICE. The Court will not respond to letters or telephone calls. If you wish to address the Court, you must file a pleading or motion with the clerk of the court in accordance with the Court's usual procedures.

DATED: OCTOBER 26, 2018

BY ORDER OF THE COURT UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF

WASHINGTON