

**NOTICE OF SLEEPER BERTH SETTLEMENT
FOR CONTRACT DRIVERS IN CRST'S DRIVER TRAINING PROGRAM**

*Please read carefully. Your legal rights may be affected.
You may visit www.CRSTSettlement.com for more information.*

AVISO IMPORTANTE A MIEMBROS POTENCIALES DEL COLECTIVO –
Para español, comuníquese con el administrador al 1-800-214-9556.

**This is not a solicitation from a lawyer. The United States District Court
for the District of Massachusetts authorized this Notice.**

TO: << first name>> <<last name>>
CRST Driver Code: <<driver code>>

A settlement has been reached in the lawsuit, *Montoya v. CRST Expedited, Inc.*, as to the claim that time in excess of eight hours per day in the sleeper berth was compensable. This claim was brought under the federal Fair Labor Standards Act. You are receiving this Notice because you have been identified as someone who may be eligible to make a claim from the Settlement Fund. This Notice informs you about your rights relating to this Settlement.

Personal Information: << first name>> <<last name>>

- You are eligible to participate in the Settlement as part of the <<Collective>>.
- You have already consented to join the Federal Wage Claims Collective in this case. In order to receive your monetary payment from the sleeper berth Settlement, you still must submit a Claim Form.

SECTION 1: YOUR OPTIONS REGARDING THE SETTLEMENT

You have two options in this lawsuit:

(1) File a claim: In order to receive a monetary payment from this Settlement, you must file a Claim Form. The deadline to file a claim is **September 27, 2024**. **If you do not file a claim by September 27, 2024, you will lose your right to receive a monetary payment from the Settlement.**

(2) Do nothing: If you do nothing, you will not receive a monetary payment from the Settlement. Because you have already consented to join the Federal Wage Claims Collective in this case, this Settlement releases all of your claims under the Fair Labor Standards Act for sleeper berth time in excess of eight hours, even if you do not file a claim. You must file a claim no later than **September 27, 2024** in order to receive your monetary payment from this Settlement.

*Please visit www.CRSTSettlement.com
for more information and/or to file a claim to participate in this lawsuit.*

SECTION 2: DESCRIPTION OF LAWSUIT

This proposed Settlement resolves the only outstanding claim, the sleeper berth claim, in the lawsuit titled *Montoya v. CRST Expedited*, D. Mass. Case No. 1:16-cv-10095-PBS, which was filed on January 21, 2016, by the named plaintiff, Juan Carlos Montoya, against CRST Expedited, Inc. in the United States District Court for the District of Massachusetts. CRST International, Inc. was added as a defendant later in the case. All of the claims in the lawsuit except for the sleeper berth claim were settled in May 2021, with Court approval.

The sleeper berth claim was carved out of that Settlement, so CRST could appeal the Court's ruling on the sleeper berth issue to the First Circuit Court of Appeals. The Court's sleeper berth ruling was that CRST should have counted all sleeper berth time in excess of eight hours per day as compensable working time under the federal Fair Labor Standards Act, for which drivers are entitled to receive the federal minimum wage of \$7.25 per hour.

On December 12, 2023, the First Circuit issued its decision affirming this Court's sleeper berth ruling. On February 27, 2024, the First Circuit denied CRST's Petition for Rehearing.

Settlement Groups

This Settlement is on behalf of two groups:

(1) Sleeper Berth Only Collective: All individuals who participated as contract drivers in Phase 3 (team-driving with a lead driver) or Phase 4 (team-driving with a co-driver) of CRST's Driver Training Program at any time between January 1, 2021, and March 31, 2024, who consent to join the collective by submitting a valid and timely Claim Form.

(2) Federal Wage Claims Collective: All individuals who previously filed valid and timely Consent to Join forms in this lawsuit and participated as contract drivers in Phase 3 (team-driving with a lead driver) or Phase 4 (team-driving with a co-driver) of CRST's Driver Training Program at any time between December 22, 2013, and December 31, 2020.

If you drove for CRST during this time frame and did not previously join the Federal Wage Claims Collective, you are not eligible to participate in this Settlement.

This Notice identifies which group you are part of in the "Personal Information" section at the beginning of the Notice. If you have any questions about your eligibility, please contact the CRST Settlement Administrator (contact information in Section 8, below).

SECTION 3: SETTLEMENT BENEFITS AND TERMS

Prior to CRST's appeal, the parties agreed to have judgment enter against CRST for \$2,500,000, plus an additional amount of \$450,000 to account for the passage of time during the appeal period. The total amount of the judgment is \$2,950,000. An additional \$50,000 from the residual funds in the prior *Montoya* Settlement will be added to this amount and divided as follows:

- (1) No more than \$833,333 (one-third of \$2,500,000) in attorneys' fees for Class Counsel.
- (2) No more than \$75,000 for the costs of claim and Settlement administration.
- (3) No less than \$550,000 to be divided among the members of the Sleeper Berth Only Collective.

- (4) No less than \$1,541,667 to be divided among the members of the Federal Wage Claims Collective.

The amount for those who submit Claim Forms shall be distributed as follows:

- (1) **Sleeper Berth Only Collective:** The \$550,000 will be distributed among eligible individuals who submit valid and timely Claim Forms, proportional to their weeks worked as contract drivers in Phase 3 and/or Phase 4 between January 1, 2021, and March 31, 2024. The minimum payment that eligible individuals can expect to receive from this claim will depend on the opt-in rate. If the opt-in rate is approximately 27.5%, the minimum payment will be \$12.72 per week worked during Phase 3 and/or Phase 4, resulting in a maximum payment of \$542.63 for someone who completed 10 months of driving.
- (2) **Federal Wage Claims Collective:** The \$1,541,667 will be distributed among members of the Federal Wage Claims Collective who submit valid and timely Claim Forms, proportional to the amounts that they were previously issued for the non-sleeper berth federal wage claims in this case (which were based on weeks worked as contract drivers in Phase 3 and/or Phase 4 between December 22, 2013, and December 31, 2020). The minimum payment that eligible individuals can expect to receive from this claim will be \$12.72 per week worked during Phase 3 and/or Phase 4, resulting in a maximum payment of \$542.63 for someone who completed 10 months of driving.

These amounts will be distributed in full to claiming members of these collectives. No amount shall revert to CRST. Amounts that are not claimed shall be redistributed to those individuals who do submit Claim Forms.

One-half of the Settlement shall be considered wages and shall be subject to the withholding of all applicable local, state, and federal taxes, and reported on an IRS Form W-2. The remaining one-half of the Settlement payment is considered compensation for interest, penalties and liquidated damages, and will not be subject to payroll withholdings, and will be reported on an IRS Form 1099.

Please consult with your accountant or other tax advisor regarding the tax consequences of the Settlement.

SECTION 4: RELEASE OF CLAIMS

If you have previously opted in to the Federal Wage Claims Collective, you will release all claims under the Fair Labor Standards Act relating to non-compensation for time in the sleeper berth while participating as a contract driver in the CRST Expedited, Inc. Driver Training Program. Under no circumstances shall this release be deemed to release any claim that you may have against CRST or related entities that: (1) falls outside of the class period for the sleeper berth portion of this case; (2) relates to the portion of any workweek during which you were classified as a non-employee and/or independent contractor driver; (3) relates to hours that were not logged as sleeper berth. If you previously opted in to the Federal Wage Claims Collective but do not submit a Claim Form, you are still subject to the release in this paragraph.

SECTION 5: YOUR OPTIONS

If you are receiving this Notice, you have the following options:

Please note that it is unlawful for CRST to take any action against you for participating in this lawsuit.

(1) **Submit a Claim Form:** If you wish to receive your Settlement Payment, you must submit a Claim Form no later than September 27, 2024. You may submit your Claim Form by visiting the Settlement Administrator's website at www.CRSTSettlement.com and submitting an electronic Claim Form. You may also submit the enclosed form to the Settlement Administrator via mail, email, or facsimile at the following address:

CRST Settlement Administrator
PO Box 64053
Saint Paul, MN 55164
Telephone: 1-800-214-9556
Fax: 1-888-326-6411
Email: CRSTSettlement@atticusadmin.com

Your signed Form must be submitted electronically or by facsimile or postmarked by **September 27, 2024**.

(2) **Do nothing:** If you do nothing, then you will not receive any monetary payment from this Settlement. Because you have already consented to join the Federal Wage Claims Collective in this case, this Settlement releases all of your claims under the Fair Labor Standards Act for sleeper berth time in excess of eight hours, even if you do not file a claim. You must file a claim no later than **September 27, 2024** in order to receive your monetary payment from this Settlement.

Please visit www.CRSTSettlement.com for more information and/or to file a claim to participate in this lawsuit.

SECTION 6: OBJECTIONS

Any objections to the Settlement must be submitted in the form of a signed statement to the Settlement Administrator, which must include: (i) your full name, address, email address, and telephone number; (ii) a written statement of all grounds for the objection; (iii) a statement whether the objection applies only to you, to a specific subset of the collective that you have joined, or to the entire collective; (iv) a statement whether you intend to appear at the Final Approval Hearing; and (v) your signature and the date. Objections must be sent to the Settlement Administrator at the address set forth above and in Section 8, below, by mail, email, or facsimile, and must be submitted or postmarked by September 27, 2024.

The Settlement Administrator will provide your objection to Class Counsel, and Class Counsel will provide your objection to the Court when reporting on the results of the claims process.

The Court will hold a Final Approval Hearing to consider any objections before entering an order finally approving the Settlement and amending the final judgment. The Final Approval Hearing will take place by video conference before the Honorable Patti B. Saris, Chief Judge, in the United States District Court for the District of Massachusetts on October 18, 2024, at 3:00 pm Eastern. To confirm that the hearing is going forward on the scheduled date and time and/or to inquire about appearing at the hearing by video, please contact Class Counsel (contact information in Section 9 below).

SECTION 7: IMPORTANT DATES

September 27, 2024: Claim and objection deadline.

October 11, 2024: Class Counsel to file a final approval motion, reporting on the results of the claims process to the Court, including any objections

October 18, 2024, at 3:00 pm Eastern: Final Approval Hearing. Please contact Class Counsel for information about how to join the final approval hearing by telephone.

SECTION 8: QUESTIONS ABOUT THIS NOTICE

If you have any questions regarding this Notice, you can contact the Settlement Administrator tollfree at 1-800-214-9556 or via email at CRSTSettlement@atticusadmin.com. The full contact information for the Settlement Administrator is:

CRST Settlement Administrator
PO Box 64053
Saint Paul, MN 55164
Telephone: 1-800-214-9556
Fax: 1-888-326-6411
Email: CRSTSettlement@atticusadmin.com

You may also visit www.CRSTSettlement.com for more information.

SECTION 9: CLASS COUNSEL

Members of the collective are represented by the following attorneys:

Hillary Schwab, Esq.
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