

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

BNVS Transport LLC, et al., v. C&K Trucking, LLC

Case No. 1:20-CV-04305

United States District Court, Northern District of Illinois, Eastern Division

The United States District Court for the Northern District of Illinois authorized this Notice.

Read it carefully!

It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

A proposed class action settlement has been reached and preliminarily approved by the Court in a lawsuit that sought compensation, penalties and interest for alleged underpayments and chargebacks in the settlement statements of the owner operators contracting with C&K Trucking, LLC, in Illinois. C&K Trucking, LLC denies these allegations, and the Court has not found that C&K engaged in any wrongful conduct. The proposed class action settlement provides for monetary payments to the members of a "Class" defined as "all current or former owner-operators based in Illinois who signed one of Defendant C&K Trucking LLC's standardized Independent Contractor Agreements and provided services pursuant to that agreement(s) at any time from July 22, 2010, to July 29, 2022." You have received this notice because the records of C&K Trucking indicate that you and/or your business may be a member of this Class ("Class Member") and eligible to receive money from the proposed class action settlement.

You do **not** need to do anything to receive your share of the settlement. However, if you wish to opt-out of the settlement, you must submit a "Request for Exclusion" in accordance with the instructions in Section 6 of this Notice below. If you wish to Object to the settlement, you must follow the instructions in Section 7 of this Notice below.

Based on the records of C&K Trucking, and the distribution formula set forth in the proposed settlement, you are scheduled to receive an **Individual Class Member Payment of approximately \$_____**. This is an estimate and the actual amount you receive may be different depending on certain factors not presently known.

The above estimate is based on C&K Trucking's records showing that there were _____ weeks between July 22, 2010 and July 29, 2022, during which C&K Trucking issued you or your business one or more Settlement Statements for services provided to C&K Trucking, and that _____ of these weeks occurred between July 22, 2016 and July 29, 2022. The specific formula for calculating your workweeks and your resulting Individual Class Member Payment is explained in Section 4 of this Notice. If you believe that you should be credited with more weeks, you can submit a data dispute by the **January 30, 2023** as explained in Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it.

C&K Trucking will not retaliate against you for receiving an Individual Class Member Payment, or for objecting to or opting out of the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

| | |
|---|---|
| <p>You Don't Have to Do Anything to Participate in the Settlement</p> | <p>If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Member Payment in the amount estimated above. In exchange, you will give up your right to assert the claims against C&K Trucking that are covered by this Settlement (Released Claims).</p> |
| <p>You Can Opt-out of the Settlement</p> <p>The Opt-out Deadline is January 30, 2023.</p> | <p>If you don't want to fully participate in the proposed settlement, you can opt-out of it by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer be eligible for an Individual Class Member Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 7 of this Notice.</p> |
| <p>Participating Class Members Can Object to the Settlement</p> <p>Written Objections Must be Submitted by January 30, 2023.</p> | <p>All Class Members who do not opt-out can object to any aspect of the proposed Settlement. See Section 7 of this Notice</p> |
| <p>You Can Participate in the February 15, 2023 Final Approval Hearing</p> | <p>The Court's Final Approval Hearing is scheduled to take place on February 15, 2023. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost). Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.</p> |
| <p>You Can Challenge the Calculation of Your Workweeks/Pay Periods</p> <p>Written Challenges Must be Submitted by January 30, 2023.</p> | <p>The amount of your Individual Class Member Payment depends on the number of weeks between July 22, 2010, to July 29, 2022, in which C&K Trucking issued you or your business one or more Settlement Statements for services provided to C&K Trucking. The number of such weeks that C&K Trucking's records show for you is stated on the first page of this Notice. If you disagree with this number, you may submit a challenge. Any such challenge must be submitted by January 30, 2023 to be timely and considered. See Section 4 of this Notice.</p> |

1. WHAT IS THE ACTION ABOUT?

The named plaintiffs who filed this Action are two owner-operators that used to provide drayage transportation services to C&K Trucking, LLC, in Illinois. The Action accuses C&K Trucking of violating the Truth in Leasing Act, 49 U.S.C. § 14704(a)(2), and Illinois common law of breach of contract and fraud, by paying the owner operators less than the agreed-upon amounts for their runs and for not adequately disclosing the grounds for several categories of deductions or chargebacks made against their pay. Defendant C&K Trucking strongly denies violating any laws or failing to pay the contractually agreed-upon amounts. C&K Trucking further contends it complied with all applicable laws and contractual obligations.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether C&K Trucking or Plaintiffs are correct on the merits. In the meantime, after conducting discovery, taking witness statements, and performing a legal analysis of the contracts and applicable law, Plaintiffs and C&K agreed to appear before an experienced mediator in an effort to resolve the Action by negotiating an end to the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiffs and C&K Trucking have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, C&K Trucking does not admit any violations or concede the merit of any claims.

Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) C&K Trucking has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) the settlement is in the best interests of the Class Members. The Court preliminarily approved the proposed settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. C&K Trucking Will Pay \$3,350,000.00 as the Gross Settlement Amount (Gross Settlement). C&K Trucking has agreed to deposit the Gross Settlement into an escrow account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Member Payments, Class Representative Service Payments, Class Counsel’s attorney’s fees and expenses, and the Administrator’s expenses. Assuming the Court grants Final Approval, C&K Trucking will fund the Gross Settlement not more than 7 days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions

from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

- A. Up to one-third (1/3) of the Gross Settlement to Class Counsel for attorneys' fees and up to \$50,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- B. Up to \$20,000.00 each to the three Class Representatives as Service Payments for filing the Action, producing documents, answering interrogatories, having their depositions taken, and participating in the mediation sessions that resulted in the Settlement. A Class Representative Award will be the only monies Plaintiffs will receive other than their Individual Class Member Payments.
- C. Up to \$54,309.00 to the Administrator for services administering the Settlement.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

- 3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Member Payments to Participating Class Members using the formula described in Section 4 below.
- 4. Taxes Owed on Payments to Class Members. Each Participating Class Member's Individual Class Member Payment will be reported on an IRS 1099 Form.

Although Plaintiffs and C&K Trucking have agreed to this tax allocation, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

- 5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Member Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will either be redistributed to the Class Members who cashed their checks and/or paid to a non-profit organization or foundation ("Cy Pres").
- 6. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. If the Settlement does not become Final for any of these reasons, the Agreement will be void such that C&K Trucking would not pay any money and Class Members would not release any claims against C&K Trucking.
- 7. Administrator. The Court has appointed a neutral company, JND Legal Administration

(the “Administrator”) to send this Notice, calculate and make payments, and mail and re-mail settlement checks and tax forms. The Administrator also will process Class Members’ Requests for Exclusion, Objections, and Disputes as to the number of Settlement Statement Workweeks or Adjusted Settlement Statement Workweeks, if any. The Administrator will also perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.

8. Participating Class Members’ Release. After the Judgment is final and C&K Trucking has fully funded the Gross Settlement, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by mailing a timely and valid Request for Exclusion to the Administrator in accordance with the instructions set forth in Section 6 below, you cannot sue, continue to sue, or be part of any other lawsuit against C&K Trucking or related entities for claims that have been resolved in this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were pleaded or could have been pleaded based on the facts alleged in Plaintiffs’ original Complaint and/or First Amended Complaint filed in this action, including but not limited to any claims related to compensation or deductions, which accrued between July 22, 2010 and July 29, 2022.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Member Payments. The Administrator will calculate Individual Class Member Payments according to the following distribution formula:
 - (a) First, the Administrator will determine, for each Participating Class Member, the total number of weeks in the Class Period during which C&K Trucking issued that Participating Class Member one or more Settlement Statements based on the performance of services for Defendant C&K using one or more of the vehicles registered with that Class Member. This figure will be known as a Settlement Workweek;
 - (b) Second, the Administrator will count each Settlement Workweek between July 22, 2016 to July 29, 2022 as two Adjusted Settlement Workweeks; whereas each Settlement Workweek occurring between July 22, 2010 and July 21, 2016, will count as one Adjusted Settlement Workweek. The Parties have agreed to this formula as a fair and equitable approximation of the difference in potential value and risks of the claims at each time period;
 - (c) Third, the Administrator will aggregate all the Adjusted Settlement Workweeks for all the Participating Class Members to arrive at the Total Adjusted Settlement Workweeks for the entire Settlement Class;

- (d) Fourth, the Administrator will calculate each Participating Class Member's Settlement Ratio by dividing the number of Adjusted Settlement Workweeks belonging to that Participating Class Member by the Total Adjusted Settlement Workweeks for the entire Settlement Class; and
 - (e) Fifth, the Administrator will calculate each Participating Class Member's Individual Class Member Payment by multiplying that Participating Class Member's Settlement Ratio by the Net Settlement Amount.
2. Workweek/Calculation Disputes. The number of Settlement Workweeks and Adjusted Settlement Workweeks credited to you, based on C&K Trucking's records, as well as your estimated Individual Class Member Payment based on these records, are stated in the first page of this Notice. You may dispute these records by sending a letter to the Administrator. For a dispute to be timely submitted, it must be mailed to the Administrator at the address provided in Section 9 below and postmarked on or before **January 30, 2023**. Any dispute should explain the basis of the dispute, state the number of Settlement Workweeks, Adjusted Settlement Workweeks and/or calculation that you believe is correct, and attach any documentation reasonably available to support your dispute. (You should send copies of documents rather than originals because the documents will not be returned to you.) The Parties will confer to determine whether adjustments to the Class Member's Individual Class Member Payment is 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 Class Member Payment will be binding.

5. HOW WILL I GET PAID?

The Administrator will send, by U.S. mail, a single check to every Participating Class Member.

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

You may exclude yourself from the Settlement ("opt out") by sending a letter to the Administrator **on or before January 30, 2023**, which reasonably communicates your election to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Member Payments, but will preserve their rights to personally pursue the claims asserted in this case against C&K Trucking.

To be valid, a Request for Exclusion must (a) be written; (b) state your name; (c) be signed by you; (d) identify the Action; (e) state that you have reviewed the Class Notice regarding the settlement of the Action and the consequences of requesting exclusion from it, and wish to be excluded from the settlement; and (f) be mailed to the Settlement Administrator at the address provided in Section 9 below.

You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you send the Administrator by mail a signed written Request for Exclusion that is postmarked **on or before January 30, 2023**.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Participating Class Members (i.e. Class Members who do not opt out or request exclusion from the Settlement), may object to the Settlement or any aspect of it, including the requests for reasonable attorneys' fees and costs and the requests for service payments to the class representatives. However, only Participating Class Members have the right to object to the Settlement or these payments.

Before deciding whether to object, you may wish to see what Plaintiffs and C&K Trucking are asking the Court to approve. You may find information about the case as well as a complete copy of the Settlement Agreement on the Settlement Website maintained by the Administrator: www.IllinoisDriverSettlement.com. You may also find Plaintiffs' Motion for Preliminary Approval that includes, among other things, the reasons why the proposed Settlement is fair. Additionally, by December 22, 2022, Plaintiffs will file a Motion for Reasonable Attorneys' Fees and Litigation Expenses and a Motion for Service Awards. These motions will state the attorneys' fees and costs, and service awards, requested and the reasons for the requests. They will be posted on the settlement website www.IllinoisDriverSettlement.com for your review after December 22, 2022. Additionally, upon reasonable request, Class Counsel will send you copies of these documents at no cost to you. Class Counsel's contact information is in Section 9 of this Notice.

If you decide to object, be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Additionally, for an Objection to be valid, it must (a) be written; (b) be signed by the Participating Class Member making the objection; (c) identify the name of the Participating Class Member making the objection; (d) identify the Action; (e) be mailed to the Administrator at the address provided in Section 9 of this Notice; and (f) be **postmarked on or before January 30, 2023**.

Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on **February 15, 2023** at 11:00am in Courtroom No. 1203 of the United States District Court, Northern District of Illinois, Eastern Division, located at 219 South Dearborn Street, Chicago, Illinois 60604. At the Hearing, the Judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiffs, and the Administrator. The Court will invite

comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend or hire a lawyer to attend.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website www.IllinoisDriverSettlement.com beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything C&K Trucking and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to the Administrator's website at www.IllinoisDriverSettlement.com. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below. You may also review case and settlement documents on PACER (Public Access to Court Electronic Records) by going to www.pacer.uscourts.gov and entering in the Case Name, Case Number and District Court information shown at the top of this Notice.

Class Counsel:

Joshua Konecky
Sarah McCracken
Schneider Wallace Cottrell Konecky LLP
2000 Powell Street, Suite 1400
Emeryville, CA 94608
jkonecky@schneiderwallace.com
smccracken@schneiderwallace.com

Stacey Vucko
Vucko Law LLP
svucko@vuckolaw.com

Settlement Administrator:

JND Legal Administration

Mailing Address: C&K Trucking Settlement
c/o JND Legal Administration
PO Box 91205
Seattle, WA 98111

Email Address: info@IllinoisDriverSettlement.com
Telephone: 1.855.533.0226
Fax Number: 1.866.304.3206

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address. The Administrator's contact information is in Section 9 above.