

Sampson et al. v. Knight Transportation, Inc., et al.,
Western District of Washington Case No. 2:17-cv-00028-JCC

CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE

I. RECITALS

A. Introduction. This class action settlement agreement and release (the “Settlement Agreement”) is between Named Plaintiffs Valerie Sampson and David Raymond (“Named Plaintiffs”), acting both individually and in their capacity as representatives of the proposed Settlement Class defined below, and Defendants Knight Transportation, inc., Knight Refrigerated, LLC, and Knight Port Services, LLC (collectively, “Defendants” and Plaintiffs and Defendants together the “Parties”). This Settlement Agreement resolves all claims in the action entitled *Sampson et al. v. Knight Transportation, Inc., et al.*, Western District of Washington (the “Court”) Case No. 2:17-cv-00028-JCC (the “Action”), and all potential claims, asserted or unasserted, for Named Plaintiffs Valerie Sampson and David Raymond.

B. Purpose. The Parties enter into this Settlement Agreement to bring about a full, complete, and final resolution of this Action. The Parties agree to settle the Action, subject to Court approval, pursuant to the provisions of this Settlement Agreement set forth below. The Parties deem the Settlement Agreement to be fair, reasonable, and adequate. Plaintiffs and their counsel judge the Settlement Agreement to provide adequate relief to the Settlement Class and to be in the best interests of the Settlement Class.

C. No Admission of Wrongdoing or Liability. Defendants deny all of Plaintiffs’ material allegations, including without limitation that Defendants failed to properly compensate class members for time worked or failed to comply with the law. The Parties agree that this Settlement Agreement is entered into solely on the basis of a compromise of disputed claims, and this Settlement Agreement is not, and is not to be construed as, an admission by any Party of any liability whatsoever. Nor is it, and nor will it be construed as, an admission of any act or fact whatsoever, including any violation of federal, state, local, or common law, statute, ordinance, directive, regulation, or order. Pursuant to Section V.K, below, this Settlement Agreement, and any communications, papers, proceedings or orders related to this Settlement Agreement, are settlement documents and shall be inadmissible in evidence in any proceeding, other than an action or proceeding to approve, interpret or enforce this Settlement Agreement, or to the extent it is necessary to demonstrate the scope of the released claims and/or claim preclusion in a subsequent action.

D. Investigations and Due Diligence. The Parties have conducted written discovery and investigation of the facts and the law during their respective prosecution and defense of this Action. As part of this review and investigation, the Parties and their counsel have: (1) taken formal written discovery; (2) collected, reviewed, and analyzed documents, time records, payroll data, and other information concerning the composition of the Settlement Class, the

merits of Plaintiffs' claims and Defendants' defenses, and the potential damages; (3) conducted depositions; (4) engaged in substantial motion practice, as well as proceedings before the Washington Supreme Court; and (5) amply considered and analyzed their respective claims or defenses.

E. Mediated Settlement Negotiations. The Parties engaged in settlement negotiations during a mediation held before experienced mediator, Antonio Piazza, on February 28, 2022. The Parties reached an agreement on the material terms of the Settlement, which was memorialized in a Memorandum of Understanding signed by the Parties on March 4, 2022. All of the Parties' settlement negotiations have been conducted in good faith and at arm's length.

II. SETTLEMENT TERMS

A. Definitions.

1. "Class Counsel" means Toby J. Marshall and Erika L. Nusser of Terrell Marshall Law Group PLLC, and Hardeep S. Rekhi and Gregory Wolk of Rekhi and Wolk, P.S.

2. "Defense Counsel" means Paul Cowie and John Ellis of Sheppard, Mullin, Richter & Hampton LLP and Anthony Todaro and Jeff Degroot of DLA Piper.

3. "Effective Date" of this Settlement Agreement shall be the date on which the Court's entry of the Final Approval Order is no longer subject to challenge by appeal, and any appeals that have been filed have concluded with affirmation of the Final Approval Order and are no longer subject to further appellate review by way of petitions for rehearing or certiorari or otherwise..

4. "Final Approval Order" means an order by the Court that grants final approval of the Settlement and a final judgment dismissing this Action with prejudice in accordance with the terms of this Settlement Agreement. The Final Approval Order shall include provisions dismissing with prejudice the claims brought against Defendants on behalf of Plaintiffs and Settlement Class Members.

5. The "Initial Mailing Date" is the date the Settlement Administrator first mails the Notice of Settlement approved by the Court to all Settlement Class Members.

6. The "Notice" or "Notice of Settlement" means the notice of this Settlement that the Parties intend to be mailed to Settlement Class Members following the Court's entry of an order granting preliminary approval of the Settlement. The Parties shall

agree to the form of the Notice following the Court's decision on Defendants' pending motion for summary judgment.

7. The "Notice Deadline" is thirty (30) days after the Initial Mailing Date.

8. "Release" means the releases set forth in Section III of this Settlement Agreement.

9. "Settlement" means the resolution of this Action under the terms set forth in this Settlement Agreement.

10. "Settlement Administrator" means the third-party settlement administrator jointly selected by the Parties, subject to the Court's approval.

11. "Settlement Class" and "Settlement Class Members" means all current and former driver employees of Knight Transportation, Inc., Knight Refrigerated, LLC, and/or Knight Port Services, LLC who at any time from July 1, 2013, through June 3, 2021, worked as drivers while residing in the state of Washington. Excluded from the Settlement Class is any individual who was a member of the class in *Helde, et al v. Knight Transportation, Inc.* W.D. Wash. Case No. 2:12-cv-00904-RSL. Notwithstanding this definition, only those 869 employees Defendants identified as class members on September 15, 2021 and who did not timely and validly request exclusion can be considered part of the Settlement Class.

B. The Settlement Consideration.

1. Agreed Monetary Relief. To settle the claims that were brought or that could have been brought in this Action, Defendants agree to make payments to the Settlement Class in accordance with the following terms:

a. Defendants shall pay \$300,000, unless the Court grants Defendants' pending motion for summary judgment on Plaintiffs' claim that Defendants did not pay the minimum wage on average each workweek (ECF No. 146), in which case Defendants shall not pay the \$300,000 provided for this paragraph;

b. Defendants shall pay \$75,000, unless the Court grants Defendants' pending motion for summary judgment on Plaintiffs' claim that Defendants did not pay the minimum wage for time at Defendants' driver qualification program(s)/orientation (ECF No. 146), in which case Defendants shall not pay the \$75,000 provided for in this paragraph;

c. Defendants shall pay \$375,000, unless the Court grants Defendants' pending motion for summary judgment on Plaintiffs' claim for unlawful deductions (ECF No. 146), in which case Defendants shall not pay the \$375,000 provided for in this paragraph;

d. Defendants shall pay \$375,000, unless the Court grants Defendants' pending motion for summary judgment on Plaintiffs' claim for unpaid rest breaks (ECF No. 146), in which case Defendants shall not pay the \$375,000 provided for in this paragraph. If the Court declines to rule on Defendants' motion for summary judgment with respect to this claim, pending resolution of the Ninth Circuit's decision in *Valiente, et al. v. Swift Transp. Co. of Ariz.*, Case No. 21-55456, C.D. Cal. Case No. 2:19-cv-04217-VAP-KKx or other decision by the Ninth Circuit on the same issue as the one presented in *Valiente*, the parties agree to negotiate in good faith to achieve a resolution of this claim within two weeks of the Court's order declining to rule; and

e. Defendants shall pay \$2,275,000, unless the Court grants Defendants' pending motion for summary judgment on Plaintiffs' claim for overtime wages (ECF No. 146), in which case Defendants shall not pay the \$2,275,000 provided for in this paragraph.

2. The Common Fund. The amounts Defendants pay in accordance with Section II.B.1 shall create a "Common Fund," which is the total amount Defendants shall be required to pay under the terms of this Settlement Agreement, except to the extent Defendants will pay the employer share of payroll taxes associated with the payments to Settlement Class Members pursuant to this Settlement Agreement that are attributable to alleged back wages. The Common Fund shall be used to satisfy all of the following: (1) the settlement awards to be paid to Settlement Class Members (the "Settlement Awards"); (2) all employee-side payroll taxes and withholdings associated with and deducted from the Settlement Awards; (3) the service awards to be paid to the Named Plaintiffs (the "Service Awards"); (4) the award of attorneys' fees and costs to be paid to Class Counsel (the "Attorneys' Fees and Costs Award"); and (5) the settlement administration expenses, including but not limited to Settlement Administrator fees and costs (the "Settlement Administration Expenses"), all as approved by the Court. The Common Fund is not subject to any reversion of funds to Defendants. The entire amount of the Common Fund will be payable if the settlement is approved by the Court and the Effective Date occurs, subject to revocation by Defendants pursuant to Section II.D.2.e.

Within thirty (30) days of the Effective Date of this Settlement Agreement, Defendants shall deposit the Common Fund into a Qualified Settlement Fund ("QSF") established by the Settlement Administrator for this Settlement. The Parties agree that the QSF is intended to be a "Qualified Settlement Fund" under Section 468B of the Internal Revenue Code and Treas. Reg. § 1.468B-1, 26 C.F.R. § 1.468B-1 *et seq.*, and will be administered by the Settlement Administrator in accordance with the terms of this Settlement Agreement and in such a manner

as to qualify and maintain the qualifications of the QSF. The monies to establish, maintain, and fund the QSF will be part of the Settlement Administration Expenses, which will be paid exclusively from the Common Fund in accordance with Section II.B.2. The Settlement Administrator shall be responsible for making the payments described above from the QSF.

Defendants are responsible for paying all employer-side taxes associated with the wage portion of the Settlement Awards made from the Common Fund. Employer-side taxes paid by Defendants are not to be considered as a part of the Common Fund; rather, Defendants' payment of those taxes is separate from and in addition to the Common Fund. Defendants shall make these employer-side tax payments to the Settlement Administrator within thirty (30) days of the Settlement Administrator providing Defendants with a calculation of those taxes, and the Settlement Administrator shall timely remit the tax payments to the government and provide Defendants with any required tax forms.

C. Distribution of the Common Fund.

1. The Net Settlement Fund. Not later than thirty five (5) days after the Initial Mailing Date, Class Counsel will file a motion for an award of attorneys' fees not to exceed 30% of the Common Fund as well as reimbursement of costs incurred in relation to this Action; an application for a Settlement Administration Expenses Award not to exceed \$12,000; and an application for Service Awards to the Named Plaintiffs not to exceed \$10,000 each for a total not to exceed \$20,000. The amounts approved by the Court will be deducted from the Common Fund, and the amount remaining after these deductions (the "Net Settlement Fund") shall be available to fund Settlement Awards to Settlement Class Members.

2. Calculation of Settlement Awards. Each Class member shall be entitled to a proportional share of the Net Settlement Fund. Proportional share calculations shall be based on the proportional value of the claim as determined by Class Counsel in good faith and based on the analysis performed by their retained experts and the number of workweeks each class member worked for Defendants during the relevant time period. Class Counsel shall calculate the final gross Settlement Award for each Settlement Class Member, allocating any Net Settlement Fund amounts made available by opt-outs proportionately to Settlement Class Members.

Settlement Class Members shall not be required to complete a claim form in order to share in the Net Settlement Fund. A check representing each Settlement Class Member's Settlement Award shall be mailed to that member in accordance with the terms of this Settlement Agreement.

3. Wage Allocation of Settlement Awards. Settlement Awards to Settlement Class Members shall be allocated 1/3 for alleged unpaid wages and 2/3 for alleged statutory or

other non-wage damages and interest, and standard employee-side payroll taxes shall be deducted by the Settlement Administrator from the wage portion.

4. Employer-Side Taxes. Pursuant to Section II.B.2, above, Defendants shall be responsible for paying to the Settlement Administrator all required employer-side payroll taxes associated with the wage portion of the Settlement Awards to Settlement Class Members.

5. Wage Deductions, Award Payments, Tax Payments, and Tax Forms. Within 10 days after the Notice Deadline, Class Counsel shall provide the Settlement Administrator and Defendants' Counsel with a spreadsheet detailing the amounts payable to each Settlement Class Member as a Settlement Award. After receiving the Final Settlement Spreadsheet from Class Counsel, which shall identify the gross award amounts for each Settlement Class Member, the Settlement Administrator will calculate and deduct employee-side payroll tax amounts, including income tax withholding and any other required deductions. Within twenty-one (21) days after the date Defendants deposit the Common Fund into the QSF, the Settlement Administrator shall issue a check to each Settlement Class Member that identifies the member's gross award, all deductions, and the member's net recovery after those deductions are made. The Settlement Administrator shall be responsible for reporting all Settlement Award payments and for forwarding all employee-side payroll taxes, withholdings, and other deducted amounts associated with the Settlement Awards to the necessary government entities. The Settlement Administrator shall report the Settlement Awards on IRS Forms W-2 and 1099, to the extent legally required to do so. The Settlement Administrator shall also timely remit Defendants' employer-side tax payments to the appropriate government entities and provide Defendants with prompt written notice of such remittal, together with any necessary tax forms.

6. Attorneys' Fees and Litigation Costs. Within five (5) days of receiving the Common Fund into the QSF, or as soon as practicable, the Settlement Administrator shall disburse to Class Counsel the Attorneys' Fees and Costs Award approved by the Court.

7. Settlement Administration Expenses. Within five (5) days of receiving the Common Fund into the QSF, or as soon as practicable, the Settlement Administrator may disburse to itself the Settlement Administration Expenses Award approved by the Court.

8. Class Representative Service Award. Within five (5) days after receiving the Common Fund into the QSF, or as soon as practicable, the Settlement Administrator shall disburse to Plaintiffs the amounts approved and awarded by the Court as Service Awards. The

Settlement Administrator shall report the Service Awards (on which there will be no tax withholdings) on IRS Forms 1099 (marked "Other Income").

9. Disbursement of Residual Funds/Cy Pres. Settlement Class Members shall have one hundred eighty (180) days from the mailing of the Settlement Award checks to cash their Settlement Award checks. If any Settlement Award check remains uncashed sixty (60) days after the mailing of the Settlement Award checks, the Settlement Administrator shall take reasonable actions to locate the respective Settlement Class Member to provide the Settlement Award check. If any Settlement Award check remains uncashed one-hundred eighty-one (181) days after the mailing of the Settlement Award checks, the funds associated with that Settlement Award check shall be deemed relinquished. No later than two hundred (200) days after the mailing of the Settlement Award checks, the Settlement Administrator shall cause all relinquished funds to be distributed fifty percent (50%) to the Washington Wage Claim Project and fifty percent (50%) to the Legal Foundation of Washington. There shall be no reversion of any of the Common Fund to Defendant.

D. Court Approval to Send Notice and Class Notice.

1. Notice of Settlement to the Court. The Parties will not alert the Court of this Settlement Agreement until the Court has issued an order on Defendants' pending motion for summary judgment (ECF No. 146).

a. Upon a ruling on Defendants' motion for summary judgment, the Parties agree they will not challenge or seek reconsideration of the order or judgment on appeal or otherwise. Neither Plaintiffs nor Defendants will submit additional argument, evidence or briefing to the Court unless (a) agreed upon by all parties; (b) the Court, on its own volition, requests additional briefing or other information; or (c) it becomes necessary to submit a notice of new authority decided after the noting date or a precipice in accordance with the local rules.

b. After the Court decides Defendants' pending motion for summary judgment, the Parties shall immediately submit a joint Notice of Settlement to the Court to inform the Court that a mediated resolution of the class action claims has been reached in principle.

c. Within fourteen (14) days after the Court's decision on Defendants' pending motion for summary judgment, Plaintiffs will file a motion seeking Court approval to send Notice of the Settlement to Settlement Class

Members.

2. Notice Procedures to Settlement Class Members. Notice of Settlement shall be provided as follows:

a. Within thirty (30) days of the date the Court approves sending Notice to Settlement Class Members, the Settlement Administrator shall mail the Notice to all Settlement Class Members.

b. Before mailing the Notice, the Settlement Administrator will perform normal and customary address updates and verifications as necessary.

c. Objections. Only Settlement Class Members, excluding the Named Plaintiffs Sampson and Raymond, may object to the Settlement. The Notice shall provide that Settlement Class Members who wish to object to the Settlement must file with the Court and submit to the Settlement Administrator a written statement objecting to the Settlement and any supporting documentation the person wishes the Court to consider ("Objection"). The Settlement Administrator shall provide Class Counsel and Defense Counsel with all objections received on a weekly basis. Any Objection must be filed with the Court and provided to the administrator no later than thirty (30) days after the Initial Mailing Date (the "Objection Deadline"). The date of the postmark on the return mailing envelope shall be the exclusive means used to determine whether a request for exclusion has been timely submitted. If the postmark is illegible then the request for exclusion must arrive within three (3) calendar days after the Objection Deadline to be considered timely. If such Objection is submitted and overruled by the Court, the objecting Settlement Class Member shall remain fully bound by the terms of the Settlement, including the Release, so long as the Settlement is granted final approval by the Court, and the Effective Date occurs. The Parties shall submit any responses to objections at least fourteen (14) days before the final approval hearing.

d. Exclusion Requests. The Court certified the Settlement Class in orders dated June 8, 2020, and June 3, 2021. Notice and an opportunity to request exclusion under Fed. R. Civ. P. 23(b)(3) was provided to the Settlement Class pursuant to Court orders dated July 17, 2020, and June 22, 2021 and certain Settlement Class Members requested exclusion. The Parties agree that no further opportunity to request exclusion is necessary, and no Party will

request such an opportunity from the Court. The Parties agree that neither they nor their counsel will, directly or indirectly, solicit, suggest to, entice, or otherwise encourage any Settlement Class Member to opt out of or object to the Settlement.

e. Right of Revocation. In the event the Court conditions settlement approval on a further opportunity for Settlement Class Member to request exclusion from the Settlement Class and 5% or more of the Settlement Class Members opt out of the Settlement Class, Defendants have the right to void the Settlement in its entirety. The Settlement Administrator shall notify the Parties of the total number of Settlement Class Members requesting exclusion within fifteen (15) days after the deadline for Settlement Class Members to submit a request for exclusion. Defendants must give notice of their intent to rescind within fifteen (15) days of receiving notice for the Settlement Administrator of the number of Settlement Class Members' requesting exclusion.

f. Undeliverable Mail. If a Notice is returned as undeliverable with a forwarding address provided by the United States Postal Service, the Settlement Administrator will promptly resend the Notice to that forwarding address. If a Notice is returned as undeliverable and without a forwarding address, the Settlement Administrator shall perform one skip trace only. If it obtains a more recent address, the Settlement Administrator shall resend the Notice. The Settlement Administrator shall also mail, or email if applicable, a Notice to any Settlement Class Member who contacts the Settlement Administrator or one of the Parties and requests a Notice.

III. RELEASE OF CLAIMS

A. Release by the Settlement Class. Plaintiffs and the Settlement Class Members release Defendants and all of Defendants' parents, subsidiaries, affiliated entities, agents, employees, insurers, attorneys, officers, directors and any alleged joint employers (the "Released Parties") from all claims for relief and causes of action asserted in Plaintiffs' operative complaint, and all claims for relief and causes of action that could have been asserted arising from the same factual predicate, transaction, or series of transactions as the claims and causes of action alleged in the operative complaint, that arose during the period July 1, 2013, through June 3, 2021. The class release is intended to extend to any and all claims arising during the period July 1, 2013, through June 3, 2021, to fullest extent permitted by law. The class release includes any and all claims that Defendants willfully did not pay wages related to rest

breaks, the minimum wage or overtime wages, and that Defendants unlawfully deducted wages through their per diem program, arising during the period July 1, 2013, through June 3, 2021.

B. Additional Release by Named Plaintiffs. In addition to the release set forth in Section III.A, which is incorporated by reference, Plaintiffs Sampson and Raymond for themselves hereby irrevocably, fully, and finally release the Released Parties from any and all individual claims for relief or causes of action they may have against any of the Released Parties, whether known or unknown, to the fullest extent permitted by law.

IV. FINAL APPROVAL ORDER

The Parties shall use their best efforts to secure the Court's issuance of a Final Approval Order. The Final Approval Order shall, among other things:

A. Approve the Settlement Agreement as fair, adequate and reasonable, and consistent and in compliance with the applicable provisions of the law; direct the Parties and their counsel to implement and consummate this Settlement Agreement according to its terms and provisions; and declare this Settlement Agreement to be binding on, and have res judicata and effect in all pending and future lawsuits or other proceedings encompassed by the Settlement;

B. Find that notice substantially in the form of agreed to by the Parties and the notice procedure implemented pursuant to this Settlement Agreement: (i) constitute the best practicable notice; (ii) constitute notice that is reasonably calculated, under the circumstances, to inform Settlement Class Members of their right to object to the proposed Settlement Agreement and to appear at the Final Approval Hearing; (iii) are reasonable and constitute due, adequate and sufficient notice to all persons entitled to receive notice; and (iv) meet all applicable requirements of the Federal Rules of Civil Procedure and due process;

C. Dismiss the Action on the merits and with prejudice with respect to Defendants, without fees or costs to any party except as provided in this Settlement Agreement;

D. Incorporate the Releases set forth in Section III;

E. Without affecting the finality of the Final Approval Order for the purposes of appeal, retain jurisdiction as to all matters relating to administration, consummation, enforcement, and interpretation of this Settlement Agreement and the Final Approval Order, and for any other necessary purpose; and

F. Incorporate any other provisions as the Court deems necessary and just.

V. MISCELLANEOUS PROVISIONS.

A. Timing. As used in this Settlement Agreement, the term “days” shall mean calendar days. In calculating deadlines, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included unless it is a Saturday, a Sunday or a legal holiday, in which event the period runs until the end of the next day that is neither a Saturday, a Sunday, nor a holiday observed by the Court.

B. Dismissal. In connection with the issuance of an order granting final approval of this Settlement Agreement, the Parties shall present the Court with a final judgment of dismissal with prejudice and request immediate entry of that order.

C. Continuing Jurisdiction. Consistent with Section IV.E above, the Western District of Washington shall have continuing jurisdiction over this Action for the purpose of implementing this Settlement Agreement and all related matters, including preliminary approval of the Settlement Agreement, final approval of the Settlement Agreement, entry of final judgment as to Defendants, and any post-judgment issues.

D. Reasonable Best Efforts. The Parties agree to undertake their reasonable best efforts, including, without limitation, all efforts contemplated herein, to carry out the terms of this Settlement Agreement. In addition to the documents and other matters specifically referenced in the Settlement Agreement, the Parties agree to execute or deliver, or cause to be executed or delivered, such other documents or other materials reasonably necessary to carry out the terms and conditions of this Settlement Agreement, as may be reasonably necessary to effect the obligations contemplated by the Settlement Agreement.

E. Amendments/Modifications. This Settlement Agreement may be amended or modified only by a written instrument signed by each of the Parties and their respective counsel of record. Amendment and modifications may be made without notice to the Settlement Class Members unless notice is required by law or by the Court.

F. Construction. The terms and conditions of this Settlement Agreement are the result of lengthy, intensive, arm’s-length negotiations between the Parties. This Settlement Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or its counsel participated in the drafting of this Settlement Agreement.

G. Counterparts. This Settlement Agreement may be executed in counterparts each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. This Settlement Agreement may be executed by electronic means, including DocuSign.

H. Tax Consequences: No opinions concerning the tax consequences of the

proposed settlement to individual Settlement Class Members are given by Defendants, Plaintiffs, or Class Counsel, nor are any representations in this regard made by or through this Settlement Agreement. Any tax obligations, and the determination thereof, are the sole responsibility of each Settlement Class Member, and the tax consequences, if any, depend on the circumstances of each individual Settlement Class Member. Each Party to this Settlement Agreement acknowledges and agrees that (1) no provision of this Settlement Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon their own, independent legal and tax counsel for advice (including tax advice) in connection with this Settlement Agreement, (b) has not entered into this Settlement Agreement based upon the recommendation of any other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or advisor to any other party to avoid any tax penalty that may be imposed on the acknowledging party; and (3) no attorney or advisor to any other party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Settlement Agreement.

I. Governing Law. This Settlement Agreement shall be governed by, and interpreted according to, the law of the State of Washington.

J. Parties Bound. This Settlement Agreement shall be binding upon and inure to the benefit of Plaintiffs, the Settlement Class Members, Defendants, the Released Parties, and the respective heirs, successors, and assigns of each of the foregoing.

K. No Evidence. In no event shall this Settlement Agreement, any of its provisions, or any negotiations, statements, or proceedings relating to it in any way be construed as, offered as, received as, used as, or deemed to be evidence of any kind in the Action, or any other action, or in any judicial, administrative, regulatory, or other proceeding, except in a proceeding to enforce this Settlement Agreement or the relief provided herein and in any proceeding in which the Released Parties, or those in privity with them, claim that the Settlement Agreement constitutes an affirmative defense. Further, neither this Settlement Agreement nor any related negotiations, statements, or proceedings shall be construed as, offered as, used as, or deemed to be evidence or an admission or concession by any person of any matter, including but not limited to any liability or wrongdoing on the part of Defendants or as a waiver by Defendants of any applicable defense.

L. Waiver. The waiver by any Party of any breach of this Settlement Agreement shall not be deemed or construed as a waiver of any other breach, whether prior or subsequent to, or contemporaneous with, this Settlement Agreement.

M. Entire Agreement. This Settlement Agreement constitutes the entire and integrated agreement between the Parties with respect to the settlement of the Action, and all other prior and contemporaneous agreements, representations, warranties, or understandings of the parties, including, but not limited to, the Parties' Memorandum of Understanding executed on March 4, 2022, are superseded and merged into this Agreement.

N. Parties' Authority. The signatories hereby represent that they are fully authorized to enter into this Settlement Agreement and bind the Parties to the terms and conditions of this Settlement Agreement.

O. Advice of Counsel. The Parties enter into this Settlement Agreement being represented by competent counsel, and they have had an opportunity to consult with counsel. The Parties agree that this Settlement Agreement reflects their good faith compromise of the claims raised in this Action, based upon their assessment of the mutual risks and costs of further litigation and the assessments of their respective counsel.

P. If Settlement Not Approved. If (i) the Court fails to enter a Final Approval Order in accordance with this Settlement Agreement, (ii) the Final Approval Order is set aside by appeal, or (iii) this Settlement Agreement is otherwise not approved by the Court:

- a. The Settlement Agreement will be null and void in its entirety and the Parties will resume the Litigation and revert to their respective positions prior to the Settlement Agreement, unless expressly agreed in writing by the Parties to (1) seek reconsideration or appellate review of the decision denying final approval; or (2) renegotiate in good faith appropriate revisions to such provisions rejected by the Court for a period of not less than forty-five (45) calendar days following the date approval is denied and, if a revised agreement is reached, re-submit the revised agreement for the Court's approval. The Parties will file a joint motion for a stay of the action during the period referred to in this Paragraph.
- b. The Settlement Administrator will provide notice to the Settlement Class Members, in a form jointly agreed upon by the Parties, that the Agreement did not receive final approval and that, as a result, no Settlement Payments will be made to Settlement Class Members under the Settlement Agreement. Such notice shall be mailed by the Settlement Administrator via First Class United States Mail, postage prepaid, to the addresses used by the Settlement Administrator in mailing the Notices. If the Settlement Agreement does not become final, all Settlement Administrator Costs shall be borne by Plaintiffs.

IN WITNESS WHEREOF, the Parties hereto have caused this Settlement Agreement to be executed.

For Plaintiffs:

Dated: _____

Valerie Sampson

Dated: _____

David Raymond

Approved as to form:

TERRELL MARSHALL LAW GROUP PLLC

Dated: _____

Erika L. Nusser

REKHI & WOLK, PS

Dated: _____

Gregory Wolk

For Defendants:

Knight Transportation, Inc.,
Knight Refrigerated, LLC, and
Knight Port Services, LLC

Dated: _____

By: _____

Name: Todd Carlson

Title: General Counsel

Approved as to form:

SHEPPARD, MULLIN, RICHTER & HAMPTON,
LLP

Dated: _____

Paul S. Cowie