

**NOTICE OF SETTLEMENT APPROVAL HEARING AND
DISTRIBUTION PROTOCOL APPROVAL HEARING IN
CANADA CARTAGE
UNPAID OVERTIME CLASS ACTION**

You are receiving this notice because you have been identified as a member of the Canada Cartage Class Action, defined by court order, as: “All persons who, at any time between March 1, 2006 and January 30, 2015, inclusive, were employed by Canada Cartage and who were entitled to receive overtime compensation pursuant to the *Canada Labour Code*, R.S.C. 1985, c. L-2 and its regulations, and whose terms and conditions of employment were, for any part of the Class Period, not governed by a collective agreement between Canada Cartage and a union” and who have not opted-out (“Class Members”).

**A SETTLEMENT HAS BEEN REACHED IN THIS CASE, SUBJECT TO COURT
APPROVAL.**

**PLEASE READ THIS NOTICE CAREFULLY. IT DESCRIBES THE SETTLEMENT
AND HOW IT MAY AFFECT YOUR LEGAL RIGHTS.**

THE CLASS ACTION

This class action alleges that Canada Cartage failed to properly compensate Class Members for overtime. This notice summarizes the settlement and the settlement approval process.

For more information about this class action and the settlement, including the terms of the Settlement Agreement, please visit the following website: www.canadacartageclassaction.com. If you have further questions, you can also contact Class Counsel as set out below.

THE CONSENT SETTLEMENT MOTION

On January 30, 2015, this action was certified as a class proceeding by Order of the Ontario Superior Court of Justice. This means that the common issues were certified to be determined in a single proceeding on behalf of members of the Class. The common issues are described at www.canadacartageclassaction.com. The Order appointed Marc-Oliver Baroch as representative Plaintiff for the Class.

Lax O’Sullivan Lisus Gottlieb LLP (“Class Counsel”) and counsel for the Defendants have reached a settlement agreement in relation to this class proceeding, subject to Court approval.

The Court will hold a hearing to decide whether to approve the settlement in the Ontario Superior Court of Justice in Toronto, Ontario on November 1, 2021 which hearing will be held via Zoom. Details of the nature of the settlement are set out below.

NATURE OF THE SETTLEMENT

A settlement has now been reached between Canada Cartage and the Representative Plaintiff following negotiations, subject to approval by the Court, for a total all-inclusive payment of \$22,250,000.00. Canada Cartage does not admit any liability, wrongdoing or fault in this matter, and the agreement to settle this matter does not imply any such liability, wrongdoing or fault on the part of Canada Cartage.

If you are a Class Member, as defined above, and the settlement is approved by the Court, you may be eligible for compensation under the settlement. If the settlement is approved by the Court, the \$22,250,000.00 will cover all compensation to the Class Members for all unpaid potential overtime or hours of work up to and including June 3, 2021 (the date of the Settlement Agreement), as well as Class Members' withholding taxes, legal fees, disbursements, the fee to the third-party funder Augusta, the costs of administration and distribution of money to Class Members. In exchange for its \$22,250,000.00 payment, Canada Cartage will receive a full release of all claims.

The Representative Plaintiff and Class Counsel recommend the settlement because it will provide significant monetary compensation to Class Members, weighed against the further delays, risks and unknown results, and a potential unfavourable finding, if the case proceeds to a contested trial. The reasons in support of the settlement will be further explained and set out in materials to be filed with the Court and posted on www.canadacartageclassaction.com.

WHO IS AFFECTED BY THE SETTLEMENT

Class Members will be affected by the settlement.

Class Members who were employed at Canada Cartage during the Class Period and continued to be employed by Canada Cartage for any period of time up to and/or including June 3, 2021, in job positions that fall within the Class Definition, will be eligible for compensation from the start of their time as a Class Member up to the end of their time as a Class Member, or whatever end date is earlier: June 3, 2021 or the end of their time as a Class Member prior to June 3, 2021.

The settlement does not cover persons who were employed at Canada Cartage, including in job positions that fall within the Class Definition, if their employment with Canada Cartage or their employment in a job position that falls within the Class Definition, began on or after January 31, 2015.

The Class Members' compensation will be determined based on the following, but not limited to:

- Weeks of employment at Canada Cartage;
- Location and/or store of employment;

- The category of job a Class Member had, which could change throughout the Class Period, including:
 - Driver
 - Shunter
 - Non-driving hourly-paid employee
 - Salaried employee
- The hours worked per week
- The year of employment (e.g. 2006 vs 2020)

Class Counsel and the Class Administrator will communicate with the Class Members directly to advise them of their calculated payment, based upon Canada Cartage's employment records and calculated based on the factors listed above.

If you are a Class Member, you will automatically be included in the proposed settlement, and you are not required to take any further steps at this time.

You can read the full distribution protocol at www.canadacartageclassaction.com.

OPTION TO OBJECT TO THIS SETTLEMENT

Any interested Class Member or any member of the public may attend the Settlement Motion if they wish via Zoom.

Class Members have the right to object to the proposed Settlement Agreement at the Settlement Motion.

If you wish to make submissions for or against the proposed settlement at the Settlement Motion, please send a request in writing with a summary of your submissions to the Claims Administrator, by no later than September 24, 2021. Class Members making submissions by the deadline will be provided with further information on how they may participate in the Settlement Motion.

The address for the Claims Administrator is:

Canada Cartage Class Action
c/o RicePoint Administration Inc
PO Box 4455, Toronto Station A
25 The Esplanade
Toronto, ON M5W 4B1

Subject to Court approval, Class Counsel will be seeking approval of fees totalling 30% of the proceeds. This amount will total approximately \$6,675,000.00.

WHAT WILL HAPPEN IF THE SETTLEMENT IS REJECTED BY THE COURT

The Court will decide whether to approve or reject the settlement. It does not have the authority to unilaterally change the material terms of the settlement. If the Court does not approve the settlement, the lawsuit will continue. If this occurs, it may take several years for a final resolution on the merits. The Class may not be successful on the merits and, even if successful, Class Members may not receive more compensation than under this proposed settlement.

ADDITIONAL INFORMATION

Lax O'Sullivan Lissus Gottlieb LLP is Class Counsel in this action.

The certification order and other information are available online at:
<http://www.canadacartageclassaction.com/>

For further information, please contact Lax O'Sullivan Lissus Gottlieb LLP at the coordinates listed below:

Mail: Lax O'Sullivan Lissus Gottlieb LLP
RE: Canada Cartage Unpaid Overtime Class Action
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