

AMANDA DOUGHERTY, as an individual	)	Case No. 17-2-05619-1
and as a representative of the class,	)	
	)	
Plaintiff,	)	
	)	
v.	)	
	)	
BARRETT BUSINESS SERVICES, INC.,	)	
	)	
Defendant.	)	

This Class Action Settlement Agreement and Release is between (1) the Plaintiff, Amanda Dougherty—individually and on behalf of the Class Members defined below—and (2) Defendant, Barrett Business Services, Inc. (“BBSI”) (collectively, the “Parties”). By this Agreement, the Parties intend, with judicial approval, to settle the Action (defined below) to resolve this matter in its entirety and with prejudice. If this Agreement is not finally approved, or is otherwise nullified, then the Parties shall return to their positions preceding this Agreement and Defendant shall retain all rights to challenge the Plaintiff’s claim and the certification of any class, unless the Parties agree to seek reconsideration of the ruling or Court approval of a renegotiated agreement.

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1           **1. Definitions**

2           The following definitions apply to this Agreement. Each defined term appears throughout in  
3 initial capital letters.

4                 **1.1. Action.** “Action” means the lawsuit entitled *Dougherty v. Barrett Business*  
5 *Services, Inc.*, filed August 26, 2015, and all complaints filed therein.

6                 **1.2. Administrative Costs.** “Administrative Costs” means all amounts owed to the  
7 Settlement Administrator for administering this Agreement.

8                 **1.3. Agreement.** “Agreement” means this Class Action Settlement Agreement and  
9 Release, which includes all its Recitals and all the attached Exhibits.

10                **1.4. Challenged Disclosure Forms.** “The Challenged Disclosure Forms” refers to  
11 the documents, substantially in the form of Exhibit 1 to the Complaint filed in this Action, that  
12 Defendant used for employment purposes before obtaining background reports on Class Members  
13 during the Settlement Period.

14                **1.5. Claim Form.** “Claim Form” refers to a postcard that a Class Member may sign  
15 and submit to the Settlement Administrator to seek an Individual Settlement Payment. Claims may also  
16 be submitted online via the settlement website.

17                **1.6. Claimant.** “Claimant” refers to all Class Members who timely submit a proper  
18 claims form to the Settlement Administrator as described in Section 7 of this Agreement.

19                **1.7. Class Counsel.** “Class Counsel” refers to E. Michelle Drake and John Albanese  
20 of Berger Montague and to Beth E. Terrell and Blythe Chandler of the Terrell Marshall Law Group  
21 PLLC. For purposes of providing notice under this Agreement, Class Counsel shall refer to E. Michelle  
22 Drake, emdrake@bm.net, John Albanese, jalbanese@bm.net, and Beth E. Terrell,  
23 bterrell@terrellmarshall.com.

24                **1.8. Class Counsel Fees.** “Class Counsel Fees” refers to the amount of attorney’s  
25 fees and costs that the Court awards in connection with resolving the Action in accordance with this  
26 Agreement.

27                **1.9. Class Members.** “Class Members” refers to those approximately 48,935  
28 individuals who for purposes of this Agreement will be certified as members of the Settlement Class,



defined as follows: all individuals on whom Defendant obtained a consumer report for employment purposes using a disclosure form containing a liability release or an overbroad authorization from August 26, 2013 to the present.

**1.10. Class Period.** See “Settlement Period.”

**1.11. Class Representative.** “Class Representative” refers to the Plaintiff, Amanda Dougherty.

**1.12. Class Representative Service Payment.** See “Service Payment.”

**1.13. Complaint.** “Complaint” refers to any and all complaints filed in the Action.

**1.14. Consideration Period.** “Consideration Period” refers to the 60 calendar days following initial mailing of the Postcard Notice and direction to the Notice of Settlement, during which a Class Member may submit (a) a Claim Form, (b) an Objection, or (c) a Request for Exclusion.

**1.15. Court.** “Court” refers to the judge presiding over this Action.

**1.16. Defendant.** “Defendant” refers to Barrett Business Services, Inc.

**1.17. Defense Counsel.** “Defense Counsel” refers to Joseph Vance and Brian Esler of Miller Nash Graham & Dunn LLP. For purposes of providing any notices required under this Agreement, Defense Counsel shall refer to Joseph Vance, joseph.vance@millernash.com and Brian Esler, brian.esler@millernash.com.

**1.18. Effective Date.** “Effective Date” is the date 10 days after the last of the following dates: (i) if no Objection has been submitted, then the date in which the Court signs the Final Approval Order, (ii) if an Objection has been submitted, then the date on which there is a Judgment subject to no further appeal.

**1.19. Fairness Hearing.** “Fairness Hearing” is the hearing at which the Court decides whether the terms of the Agreement are fair, reasonable, and adequate and meet all requirements for Final Approval.

**1.20. Final Approval Order.** “Final Approval Order” is the order the Court issues, in connection with the Fairness Hearing, that approves this Agreement.

**1.21. Gross Settlement Amount.** “Gross Settlement Amount” refers to the total payment Defendant is obligated to make in connection with the Agreement: \$1,500,000. This sum

includes all Individual Settlement Payments, any Service Payment, all Administrative Costs, and the Class Counsel Fees.

**1.22. Individual Settlement Payment.** “Individual Settlement Payment” refers to the amount the Settlement Administrator distributes from the Net Settlement Amount to each Claimant.

**1.23. Judgment.** “Judgment” refers to the final judgment entered by the Court in this Action after approving the Agreement.

**1.24. Net Settlement Amount.** “Net Settlement Amount” refers to the portion of the Gross Settlement Amount that remains after accounting for any Service Payment, Administrative Costs, and the Class Counsel Fees.

**1.25. Notice of Settlement.** “Notice of Settlement” means a notice of the terms of the Agreement, substantially in the form attached as *Exhibit A*. The Settlement Administrator will post the Notice of Settlement on a settlement website. The website address of this Notice will be provided to all Class Members in the Postcard Notice.

**1.26. Objection.** “Objection” refers to a written statement timely submitted to the Settlement Administrator that contains (1) the Objector’s full name and current mailing address, (2) the last four digits of the Objector’s social security number, (3) the specific reason(s) for the Objection, (4) all evidence and supporting papers (including, without limitation, all briefs, written evidence, and declarations) for the Court to consider, and (5) identification of all counsel representing or assisting the Objector, if any.

**1.27. Objector.** “Objector” refers to a Class Member who has submitted an Objection.

**1.28. Parties.** “Parties” refers collectively to (1) Plaintiff and (2) Defendant.

**1.29. Plaintiff.** “Plaintiff” refers to the Class Representative, Amanda Dougherty.

**1.30. Postcard Notice.** “Postcard Notice” refers to the postcard summarizing the Notice of Settlement that the Settlement Administrator will mail to all Class Members, substantially in the form attached as *Exhibit B*.

**1.31. Preliminary Approval.** “Preliminary Approval” refers to the court order granting Preliminary Approval of this Agreement.

1                   **1.32. Qualified Settlement Fund.** “Qualified Settlement Fund” means a qualified  
2 settlement fund established pursuant to U.S. Treasury Regulation section 468B-1, 29 C.F.R. § 468B-1.

3                   **1.33. Release of Claims.** On the Effective Date of this Settlement Agreement, for the  
4 Settlement Class benefits and for other good and valuable consideration, the receipt and sufficiency of  
5 which are hereby acknowledged, all class members who have not timely and properly opted out of the  
6 Settlement Class and all those acting or purporting to act on their behalf fully and forever release,  
7 waive, acquit, and discharge the Released Parties from any and all claims the Settlement Class has  
8 arising out of or relating directly or indirectly in any manner whatsoever to the facts alleged or which  
9 could have been alleged or asserted in the Complaint, including but not limited to any and all claims  
10 under 15 U.S.C. §1681b(b)(2)(A) of the Fair Credit Reporting Act and any analogous state law claims  
11 (collectively, the “Settlement Class Member Released Claims”). This release explicitly includes claims  
12 for actual, statutory damages, and punitive damages, as well as for attorneys’ fees and costs. The parties  
13 agree that the payments made hereunder are meant to compensate class members for all harms incurred  
14 as a result of the allegations set forth in the Complaint. It is expressly intended and understood by the  
15 parties that this Settlement Agreement is to be construed as a complete settlement accord and  
16 satisfaction of the Settlement Class Member Released Claims.

17                   **1.34. Released Parties.** “Released Parties” means and refers to Defendant and its  
18 respective present, former, and future affiliates, parents, subsidiaries, corporate family members,  
19 officers, directors, partners, employees, agents, attorneys, heirs, vendors, administrators, executors,  
20 members, member entities, shareholders, predecessors, successors, representatives, trustees, principals,  
21 and assigns, individually, jointly and severally. “Released Parties” does not include any background  
22 check company, consumer reporting agency, or similar entity from whom Defendant procured  
23 consumer reports on class members.

24                   **1.35. Request for Exclusion.** “Request for Exclusion” refers to a timely, written, opt-  
25 out request signed by a Class Member and submitted to the Settlement Administrator with the  
26 following information: (1) the Class Member’s full name and current mailing address, (2) the last four  
27 digits of the Class Member’s social security number, and (3) an express statement that the Class  
28 Member wishes to be excluded from the terms of the Agreement.

1                   **1.36. Service Payment.** “Service Payment” refers to any payment that the Court  
2 awards for service as a Class Representative.

3                   **1.37. Settlement Administrator.** “Settlement Administrator” refers to the entity  
4 selected in accordance with Section 7 of this Agreement.

5                   **1.38. Settlement Class.** “Settlement Class” refers to all Class Members who do not  
6 file a timely and valid Request for Exclusion.

7                   **1.39. Settlement Period.** “Settlement Period” refers to the period of August 26, 2013  
8 through the present.

9                   **2. Recitals and Procedural History**

10                  **2.1. Business of Defendant.** BBSI is engaged in the business of providing payroll  
11 management, human resource services, and risk management services and has procured consumer  
12 reports for employment purposes on Class Members in the State of Washington and throughout the  
13 United States.

14                  **2.2. Allegations in Complaint.** On or about August 26, 2015, Plaintiff, for herself  
15 and a proposed class, filed the Action, alleging that BBSI violated the Fair Credit Reporting Act  
16 (“FCRA”), 15 U.S.C. § 1681b(b)(2), by using The Challenged Disclosure Forms to obtain consumer  
17 background reports on job applicants. The Complaint alleged that this violation was willful and entitled  
18 Plaintiff and the putative class to statutory damages, punitive damages, attorney’s fees, and costs.

19                  **2.3. Defendant’s Denials.** Defendant denies (1) all the material allegations in this  
20 Action, (2) that Defendant violated the FCRA or any other law, (3) that Defendant is liable for  
21 damages, penalties, interest, restitution, attorneys’ fees, or costs, or for any other remedy on account of  
22 the claims asserted in the Action, and (4) that class certification is appropriate as to any claim in the  
23 Action. Defendant contends that its policies, procedures, and practices comply with the FCRA and all  
24 other applicable laws. Defendant has agreed to settle the Action solely to avoid the burden, expense,  
25 and uncertainty of litigation. Any statements in this Agreement are made for settlement purposes only.

26                  **2.4. Prolonged Litigation.** BBSI removed the case to federal court where it was  
27 assigned to Judge Zilly. The case was subsequently stayed pending the Supreme Court’s decision in  
28 *Spokeo, Inc. v. Robins*, 136 S. Ct. 1540 (2016). The parties briefed standing in light of *Spokeo*, and

1 Judge Zilly entered an order denying BBSI's motion for judgment on the pleadings. BBSI sought  
2 certification of that decision for interlocutory review, which Judge Zilly denied.

3 After BBSI filed a motion to stay class certification deadlines, arguing for either dismissal with  
4 prejudice or remand to state court for lack of Article III standing, Judge Zilly granted the parties'  
5 stipulated request to remand the case to King County Superior Court. While in federal court, the parties  
6 also litigated discovery disputes. BBSI argued discovery should be limited to BBSI's Baltimore branch  
7 office because BBSI had a decentralized structure. Judge Zilly rejected that argument entered an order  
8 granting in part and denying in part Plaintiff's motion to compel, ordering BBSI to produce information  
9 regarding its background check practices and procedures for all of its branch offices.

10 After the case was remanded, BBSI obtained a transfer to Clark County Superior Court, and  
11 then sought summary judgment arguing that Plaintiff lacked standing to pursue her claims as a matter  
12 of state law. After briefing and argument, Judge Vanderwood denied BBSI's motion. BBSI sought  
13 leave to file an interlocutory appeal of the denial of its summary judgment motion. Judge Lewis (to  
14 whom the case was reassigned) denied the motion after briefing and argument. The parties also briefed  
15 Plaintiff's motion to compel discovery but resolved their dispute before the motion was heard. At the  
16 time the case resolved, class certification briefing was imminent.

17 **2.5. Class Counsel's Investigation.** Class Counsel has investigated the facts relating  
18 to the claims alleged in the Action and also has analyzed all defenses.

19 **2.6. Negotiation of Settlement.** Class Counsel has engaged in arms-length  
20 negotiations with Defendant with a view toward achieving substantial benefits while avoiding the cost,  
21 delay, and uncertainty of further litigation. The Parties reached a settlement after jointly retaining the  
22 services of an experienced mediator, the Honorable Paris Kallas (retired), and engaging in an  
23 adversarial day-long mediation in Seattle, Washington, on December 18, 2018.

24 **2.7. Contemplated Motion for Approval of this Agreement.** Plaintiff will urge that  
25 the Court approve this Agreement after considering (1) the factual and legal defenses to the claims  
26 asserted, which render uncertain the ultimate outcome of the Action, (2) the potential difficulties  
27 Plaintiff would encounter in establishing her claims and maintaining class treatment, (3) the substantial  
28 benefits produced by this Agreement, (4) that this Agreement provides relief in an expeditious and

efficient manner, compared to any manner of recovery possible after litigation and potential appeal, and (5) that this Agreement allows Class Members to opt out of the Action and individually pursue the claim alleged in the Action.

**2.8. Certification for Settlement Purposes.** This Agreement is contingent upon approval of class certification under Washington law for settlement purposes only. Defendant expressly reserves the right to challenge the propriety of class certification for any other purpose should the Court not approve the Agreement.

### **3. The Gross Settlement Amount**

**3.1. Establishment of Amount.** The Gross Settlement Amount is \$1,500,000. In no event shall Defendant, absent its further agreement, be obligated to pay more than that amount. No portion of the Gross Settlement Amount will revert to Defendant. The Gross Settlement Amount includes all Individual Settlement Payments, any Service Payment, the Class Counsel Fees, and Administrative Costs.

**3.2. Estimate of Class Members.** The Gross Settlement Amount was calculated on the basis of BBSI's reasonable review of records procured for mediation, which resulted in an estimate that there are 48,935 Class Members.

### **4. The Net Settlement Amount**

**4.1. Calculation of the Amount.** The Net Settlement Amount is the portion of the Gross Settlement Amount that remains after deducting amounts for any Service Payment, Administrative Costs, and the Class Counsel Fees.

**4.2. Calculation of Estimated Individual Settlement Amounts.** The payment per person will be a function of the Gross Settlement Amount divided by the number of Claimants, less amounts attributable to any Service Payment, Administrative Costs, and Class Counsel Fees.

### **5. Selection of Settlement Administrator**

The Parties agree that JND Legal shall serve as the Settlement Administrator. The administration plan will provide for:

- i. Defendant will provide the class administrator with contact information to the extent available and data on the number of reports procured on class members in Excel or other agreed upon format;
- ii. The parties will provide the class administrator with contact information for class members to the extent such information is received from Defendant's vendors;
- iii. The settlement administrator shall make reasonable efforts to update and verify class member addresses and contact information prior to mailing;
- iv. The settlement administrator shall send a mutually and court-approved class action settlement notice via first class mail return service requested and/or via email to class members with an opportunity to update their addresses;
- v. Establishing a mutually approved interactive settlement website which will contain information about the settlement and provide class members with an opportunity to update their addresses and submit claims;
- vi. Using the national change-of-address website to update Class Member addresses prior to mailing the settlement notice; and
- vii. Using publicly available databases as practicable to update Settlement Class Member addresses to re-mail settlement class notice to settlement class members whose mail is returned.

**5.1. No Admission of Liability.** Defendant does not admit any liability, and this Agreement shall not constitute an admission of liability by Defendant. Nothing in this Agreement or any action taken under it shall be deemed or construed as an admission of wrong doing of any nature on the part of Defendant with respect to any allegations or claims, nor does it constitute an admission that others are similarly situated or that any putative class meets the requirements for class certification.

**5.2. Settlement Administration.** The Settlement Administrator will, as necessary, print, copy, format, and translate materials, and mail the Postcard Notice (*Exhibit B*) to all Class Members. The Settlement Administrator will also perform a skip trace for undeliverable addresses,

1 establish and maintain a Qualified Settlement Fund, obtain appropriate tax identification numbers,  
2 calculate Individual Settlement Payments, file all required IRS Forms, mail Individual Settlement  
3 Payments and tax forms, create a mutually approved interactive settlement website to house such  
4 materials as the long-form Notice of Settlement (*Exhibit A*), remit all required documentation to taxing  
5 authorities, implement the process for any uncashed settlement checks, and perform all other duties  
6 associated with settlement administration, including, but not limited to, all those specified in this  
7 Agreement. Any dispute relating to settlement administration shall, after good-faith efforts by the Parties  
8 to resolve the dispute, be referred to the Court.

9           **5.3. Posting of Long Form Notice of Settlement.** Before mailing the Postcard  
10 Notice, the Settlement Administrator will post on the settlement website a mutually agreed and court-  
11 approved long-form Notice of Settlement, substantially in the form appearing as *Exhibit A* hereto.

12           **5.4. Class Data for the Settlement Administrator.** The Parties will jointly seek from  
13 third parties any class member contact information not in the possession of Defendant, including  
14 through the use of joint subpoenas.

15           **5.5. Emailing or Mailing Postcard Notices to Class Members.** The Settlement  
16 Administrator will make reasonable efforts to update and verify Class Member contact data before any  
17 emailing or mailing, including use of the national change-of-address website to update mailing  
18 addresses. Within 14 calendar days of receipt of the class list from Defendant, the Settlement  
19 Administrator shall send the mutually and court-approved Postcard Notices (substantially in the form of  
20 *Exhibit B*) via email (if available) and First Class U.S. mail if email is not available, using the last-  
21 known email or mailing address for each Class Member (the “Initial Notice”). For any Class Member  
22 whose Initial Notice email is returned as undeliverable or is still unopened after seven days, a follow-up  
23 notice will be sent by First Class U.S. mail, using the last known mailing address for each such Class  
24 Member. In addition to the Initial Notice, a second “Reminder Notice” will be issued, using email (if  
25 available) and First Class U.S. Mail if email is not available, 30 calendar days before Claim Forms are  
26 due. Up to two additional “Reminder Notices” may be sent at the discretion of Class Counsel with  
27 Guidance from the Settlement Administrator.  
28



Any physical mailing returned as undeliverable shall be sent within five calendar days via First Class U.S. Mail to any available forwarding address, using publicly available databases as practical to update mailing addresses. If no forwarding address is available, then the Settlement Administrator shall attempt to determine the correct address by using a computer-based skip-trace search, and shall then perform, if feasible, a re-mailing via First Class U.S. Mail within five calendar days. If no current address is available for a Class Member, then the Postcard Notice for that Class Member will be deemed undeliverable. Only one re-mailing is required. If a Class Member cannot be located within two attempts at mailing, then the Postcard Notice for that Class Member will be deemed undeliverable. The Settlement Administrator will also use email addresses of Class members to the extent they are available.

**5.6. Proof of Mailing.** At least 67 days after distribution of notice, the Settlement Administrator shall provide a declaration of due diligence and proof of mailing with regard to mailing of the Postcard Notice to Class Counsel and Defense Counsel, which they shall in turn provide to the Court.

## **6. Responses to Notice of Settlement**

**6.1. Consideration Period.** Within the Consideration Period, Class Members may, as provided below, submit to the Settlement Administrator (a) a Claim Form, (b) a Request for Exclusion, or (c) an Objection. Except as specifically provided herein, no response postmarked after the Consideration Period shall be considered.

**6.2. Claims.** Class members will have the opportunity to seek Individual Settlement Payments by timely submitting a valid Claim Form. A Claim Form, to be valid, must be signed by the Class Member making the claim. Electronic signatures for claims made online are acceptable.

**6.3. Requests for Exclusion and Opt Out Rights.** Class Members will have the opportunity to opt out by timely submitting a Request for Exclusion.

**6.3.1. Opt Out Procedure.** Class Members may opt out of this Agreement by mailing the Settlement Administrator a Request for Exclusion. A Request for Exclusion, to be valid, must be signed and dated by the Class Member, must provide the Class Member's full name (and former names, if applicable), current address, current telephone number, and the last four digits of the

1 Class Member's social security number, and must include an express statement that the Class Member  
2 wishes to be excluded from the terms of the Agreement. Any Request for Exclusion that does not  
3 include all of the required information or that is not submitted in a timely manner will be deemed  
4 ineffective.

5 **6.3.2. Effect of Opting Out.** Any Class Member who opts out of this  
6 Agreement may not submit an Objection and shall not receive any Individual Settlement Payment, and  
7 shall not be bound by the releases that this Agreement entails. If a Class Member submits both a  
8 Request for Exclusion and an Objection, then the Request for Exclusion will be valid and will  
9 invalidate the Objection. Each Class Member who does not submit a timely, valid Request for  
10 Exclusion shall be bound by the releases that this Agreement entails.

11 If five percent (5%) or more of the Class Members opt out, Defendant shall, for fifteen (15)  
12 days following the Opt Out Deadline and at its sole discretion, be able to nullify the CR 2A Agreement  
13 and this Agreement.

14 If Defendant timely chooses to nullify, this Agreement will be vacated, rescinded, cancelled and  
15 annulled, and the Parties will return to the status quo ante as if they had not entered this Agreement. In  
16 that event, this Agreement, and all negotiations and proceedings related to this Agreement, will be  
17 without prejudice to the rights and defenses of the Parties, and evidence of this Agreement, and the  
18 negotiations and proceedings, will be inadmissible and will not be discoverable.

19 **6.3.3. Objections.** Unless otherwise provided in this Agreement, only those  
20 Class Members who do not submit a Request for Exclusion shall be entitled to object to the terms of the  
21 Agreement. No payment under this Agreement will go to anyone submitting an Objection.

22 **6.3.4. Objection Procedure.** Any Objection must be made timely using the  
23 procedures set forth in the Notice of Settlement, and must contain (1) the Objector's full name and  
24 current mailing address, (2) the last four digits of the Objector's social security number, (3) the specific  
25 reason(s) for the Objection, (4) all evidence and supporting papers (including, without limitation, all  
26 briefs, written evidence, and declarations) for the Court to consider, and (5) identification of all counsel  
27 representing or assisting the Objector, if any.  
28

1                   **6.3.5. Obligations of Individuals Who Object.** Objectors must be available for  
2 deposition if a Party chooses to take their deposition. Any Objector who fails to appear for a duly  
3 noticed deposition shall be deemed to have withdrawn the Objection. Objectors can appear at the  
4 Fairness Hearing either in person or through counsel, but must state their intent to do so at the time they  
5 submit their Objection. An Objection may be withdrawn at any time.

6                   **6.3.6. Waiver of Objections.** Class Members who fail to submit an Objection  
7 in the manner specified in the Notice of Settlement shall be deemed to have waived any objection and  
8 shall be foreclosed from objecting to this Agreement, whether by appeal or otherwise.

9                   **6.4. Proof of Responses.** At least 67 days after distribution of notice, the Settlement  
10 Administrator will prepare a declaration to submit to the Court regarding responses to the Notice of  
11 Settlement, including such information as to any inability to deliver mailings because of invalid  
12 addresses, the number of any Claims, the number of any Requests for Exclusion, and the number of any  
13 Objections.

14                   **6.5. Binding Effect of Settlement.** Although a Class Member might not timely submit  
15 a Claim or an Objection or a Request for Exclusion because of inability to locate the Class Member's  
16 current address, or for other reasons beyond the Class Member's control, that Class Member shall  
17 nonetheless be bound by this Agreement.

18                   **6.6. No Interference with Class Member Responses.** Each Party agrees not to  
19 encourage any Class Member to submit an Objection or a Request for Exclusion and agrees not to  
20 retaliate against any Class Member for submitting a Claim Form or otherwise participating in this  
21 Agreement.

## 22                   **7. Administration of Settlement Proceeds**

23                   **7.1. Final Funding of Gross Settlement Amount.** Within 10 business days of the  
24 Effective Date, Defendant will deposit the Gross Settlement Amount into the Qualified Settlement  
25 Fund.

26                   **7.2. Administrative Costs.** The Parties agree to obtain a reasonable estimate of  
27 Administrative Costs and seek approval of same to be drawn from the Gross Settlement Amount.  
28

1                   **7.2.1. Approval of Administrative Costs Not Material.** The amount of  
2 Administrative Costs is not a material term: if the Court approves a lesser amount, then the other terms  
3 of this Agreement shall remain in effect.

4                   **7.3. Class Counsel Fees.** Class Counsel intend to request a payment from the Gross  
5 Settlement Amount for (a) attorney's fees and (b) reasonable out-of-pocket expenses in representing  
6 the interests of the Class, supported by adequate documentation. Class Counsel may seek fees not to  
7 exceed one-third of the Gross Settlement Amount, plus reasonable out-of-pocket expenses.

8                   **7.3.1. Approval of Class Counsel Fees Not Material.** Approval of Class  
9 Counsel Fees is not a material term. If the Court approves only a lesser amount, then the other terms of  
10 this Agreement shall remain in effect.

11                   **7.3.2. Timing of Class Counsel Fees.** The Settlement Administrator shall issue  
12 the Class Counsel Fees by 13 business days after the Effective Date. Within two business days after the  
13 Effective Date, Class Counsel shall instruct the Settlement Administrator as to how the Class Counsel  
14 Fee may be paid. The Settlement Administrator shall issue an appropriate Internal Revenue Service  
15 Form 1099 to Class Counsel. Class Counsel shall be solely responsible for paying all applicable taxes  
16 on any Class Counsel Fee and shall indemnify and hold harmless Defendant from any claim or liability  
17 for taxes, penalties, or interest arising as a result of the Class Counsel Fees.

18                   **7.4. Service Payment.** Class Counsel intends to request a Service Payment for  
19 Plaintiff. Class Counsel may seek a service payment not to exceed \$3,500. Plaintiff agrees to submit a  
20 Claim Form to participate in the Class Settlement. Any Service Payment would be in addition to the  
21 Class Representative's Individual Settlement Payment.

22                   **7.4.1. Approval of Service Payment Not Material.** Approval of a Service  
23 Payment is not a material term. If the Court does not approve a Service Payment or approves only a  
24 lesser amount than that requested, then the other terms of this Agreement shall remain in effect.

25                   **7.4.2. Timing of Service Payment.** The Settlement Administrator shall pay any  
26 Service Payment within 13 business days of the Effective Date, and shall issue an IRS Form 1099 to  
27 the Plaintiff. The Plaintiff shall be solely responsible for paying all applicable taxes on any Service  
28

1 Payment and shall indemnify and hold harmless Defendant from any claim or liability for taxes,  
2 penalties, or interest arising as a result of the Service Payment.

3 **7.5. Individual Settlement Payments.** Each Settlement Class Member shall be  
4 entitled to one Individual Settlement Payment consisting of a pro rata share of the Net Settlement  
5 Amount, calculated as described below. Defendant's records regarding the number of Class Members  
6 shall control for purposes of calculation.

7 **7.5.1. Number of Class Members.** Defendant estimates that there are 48,935  
8 Class Members.

9 **7.5.2. Payments to Settlement Class Members.** To determine each Claimant's  
10 payment, the Settlement Administrator will divide the Net Settlement Amount by the number of  
11 Claimants.

12 **7.6. Timing of Individual Settlement Payments.** The Settlement Administrator  
13 shall issue Individual Settlement Payments no later than 30 business days after the Effective Date.

14 **7.7. Tax Allocation of Individual Settlement Payments.** Each Individual  
15 Settlement Payment will be allocated for tax purposes as income for statutory damages. The Settlement  
16 Administrator shall issue any necessary IRS Form 1099 to Settlement Class Members for their  
17 respective Individual Settlement Payments.

18 **7.7.1. Responsibility for Taxes.** Class Members shall be solely responsible for  
19 paying all taxes due on their respective Individual Settlement Payments and shall indemnify and hold  
20 harmless Defendant and the Released Parties from any claim or liability for taxes, penalties, or interest  
21 arising as a result of Individual Settlement Payments.

22 **7.7.2. Approval of Tax Allocations Not Material.** Approval of the allocations  
23 of Individual Settlement Payments set forth above is not a material term. If the Court approves a  
24 different tax allocation of the Individual Settlement Payments, then the other terms of this Agreement  
25 shall remain in effect.

26 **7.8. Undeliverable or Uncashed Checks.** All Individual Settlement Payment checks  
27 will remain negotiable for 180 days from the date of their mailing. The Settlement Administrator shall  
28 notify Class Counsel and Defense Counsel of any undeliverable and uncashed checks. After 180 days

1 from the mailing, the amount of any settlement checks from the Net Settlement Amount that has not  
2 been cashed will be treated as residual funds and will be distributed 50% to the Legal Foundation of  
3 Washington and 50% to Public Justice.

4 **7.9. Certification of Completion.** Upon fully administering this Agreement, the  
5 Settlement Administrator will certify the completion to the Court and counsel for all Parties in a  
6 declaration, summarizing the total money paid and the status of any uncashed checks.

## 7 **8. Releases**

8 **8.1. Released Claims.** By operation of the Final Approval and Judgment, and except  
9 as to rights that this Agreement creates, each Class Member—and each Class Member’s executors,  
10 administrators, representatives, agents, heirs, successors, assigns, trustees, spouses, or guardians—will  
11 release each Released Party from any claim of liability that was or could have been asserted in the  
12 Action, including, in particular, any claim that BBSI violated the FCRA or any analogous state law  
13 through the use of The Challenged Disclosure Forms. More specifically, on the Effective Date of this  
14 Agreement, for consideration the sufficiency of which is hereby acknowledged, all Class Members who  
15 have not timely and properly opted out of the Settlement Class—and all those acting or purporting to  
16 act on their behalf—fully and forever release, waive, acquit, and discharge the Released Parties from  
17 any and all claims the Settlement Class has arising out of or relating to, directly or indirectly, in any  
18 manner whatsoever, to the acts that were alleged or that could have been alleged in the Action,  
19 including any claim under 15 U.S.C. § 1681b(b)(2) of the Fair Credit Reporting Act and any analogous  
20 state law claims. This release of claims explicitly includes claims for actual damages, statutory  
21 damages, and punitive damages, as well as for attorneys’ fees and costs. The parties agree that the  
22 payments made hereunder are meant to compensate Class Members for all harms allegedly incurred as  
23 set forth in the Action. Each Class Member waives all rights provided by any Washington rule that  
24 states a release does not extend to claims that the creditor does not know or suspect to exist at the time  
25 of the release, which if known must have materially affected the settlement with the debtor.

## 26 **9. Settlement Approval Procedure**

27 **9.1. Motion for Preliminary Approval.** Plaintiff will obtain a hearing to request  
28 preliminary approval of this Agreement, to obtain entry of an order that would (i) conditionally certify

1 a class for settlement purposes only, (ii) grant preliminary approval of this Agreement, (iii) approve the  
2 Notice of Settlement, (iv) enjoin Class Members from initiating or prosecuting any claim to be released  
3 under the Settlement Agreement, unless they first submit a Request for Exclusion, and (v) set a date for  
4 a Final Approval hearing.

5 **9.1.1. Contents of Motion.** The motion for preliminary approval shall include  
6 the bases for demonstrating that conditional certification of a settlement class is appropriate, that the  
7 settlement amounts are reasonable in light of the facts and law pertaining to the claims alleged.

8 **9.2. Motion for Final Approval.** Class Counsel will obtain a hearing for a Motion  
9 for Final Approval, to obtain an order to (a) approve this Agreement, (b) adjudge its terms to be fair,  
10 reasonable, and adequate, (c) recite the Released Claims, (d) direct that the terms of the Agreement be  
11 carried out, and (e) retain jurisdiction to oversee enforcement of this Agreement.

12 **9.3. Motion for Class Counsel Fees.** In connection with a Motion for Final  
13 Approval, Class Counsel may move for approval of attorneys' fees in the amount of up to one-third of  
14 the Gross Settlement Amount, plus reasonable litigation expenses, supported by adequate  
15 documentation. This motion shall be filed no more than 44 days after distribution of notice, and shall  
16 be promptly posted on the settlement website, so that Class Members will have the opportunity to  
17 review it.

18 **9.4. Motion for Service Payment.** In connection with Class Counsel Fees, Class  
19 Counsel may move for approval of a Service Payment in an amount of up to \$3,500.

20 **9.5. Entry of Judgment.** Upon Final Approval, the Parties shall request that the  
21 Court (a) enter Judgment in accordance with this Agreement, without further fees or costs, (b) enter an  
22 order as to the Class Counsel Fees, (c) enter an order as to any Service Payment, and (d) enter an order  
23 permanently enjoining all members of the Settlement Class from pursuing or seeking to reopen claims  
24 that have been released by this Agreement.

25 **9.5.1. Notice of Final Judgment.** Notice of Judgment will be posted on the  
26 Settlement Administrator's website.

27 **9.5.2. Effect of Failure to Obtain Final Judgment.** If the Court fails to enter  
28 Judgment in accordance with this Agreement, or if the Judgment is vacated or reversed, then the Action

shall proceed, unless the Parties jointly agree to seek reconsideration or a renegotiated settlement. Defendant retains the right to contest whether any aspect of the Action should be maintained as a class, collective action, or representative action, and to contest the merits of the claims asserted in the Action.

**9.6. Schedule of contemplated events.** These are the events this Agreement contemplates. The Parties may agree to adjust these deadlines, after Preliminary Approval, if the adjustments do not materially affect filing and hearing dates set by the Court.

Deadline for Defendant to provide current class list to Settlement Administrator	10 calendar days after Preliminary Approval Order
Deadline for Settlement Administrator to mail Notice of Settlement	14 calendar days after provision of class list to Settlement Administrator
Deadline to move for fees and costs, and for Service Payment	44 calendar days after distribution of notice
Last day to submit Claims, Requests for Exclusion, or Objections	60 calendar days from the first date that Postcard Notices are initially emailed and/or mailed
Settlement Administrator to report on Requests for Exclusion, Objections and other results of class notice	67 calendar days after distribution of notice
Deadline to respond to Objections	7 calendar days from Settlement Administrator's report
Deadline to move for Final Approval	To be set by the Court, but no fewer than 74 days after distribution of notice/94 days after Preliminary Approval Order is signed
Fairness hearing on Final Approval and on motion for Class Counsel Fees and Service Payment	To be set by Court, but no fewer than 80 days after distribution of notice/100 days after Preliminary Approval Order is signed
Deadline for Defendant to Fund the Gross Settlement Amount	10 calendar days after the Effective Date



1           **10. Miscellaneous**

2                   **10.1. Execution of this Agreement.**

3                           **10.1.1. Parties' Authority.** The signatories hereto represent that they are fully  
4 authorized to bind the Parties to all the terms of this Agreement. The Parties agree that Class Members  
5 are so numerous that it is impossible or impractical to have each Class Member execute this  
6 Agreement. This Agreement may be executed on behalf of Class Members by a Class Representative.

7                           **10.1.2. Counterparts.** This Agreement may be executed in counterparts, and all  
8 signed and delivered counterparts together may constitute one Agreement binding upon the Parties.

9                           **10.1.3. Facsimile or Scanned Signatures.** A Party may sign and deliver this  
10 Agreement by signing on the designated signature block and transmitting that signature page via  
11 facsimile or as an attachment to an email to counsel for the other Party. Any such signature shall be  
12 deemed an original for purposes of this Agreement and shall be binding upon the Party who transmits  
13 the signature page.

14                   **10.2. Construction.**

15                           **10.2.1. Materiality of Terms.** Except as otherwise stated herein, each  
16 substantive term of this Agreement is a material term that the Parties have relied upon in making this  
17 Agreement. If the Court does not approve any substantive term, or if the Court effects a material change  
18 to the Agreement—such as increasing any amount that Defendant must pay—then the entire  
19 Agreement will be, at Defendant's sole discretion, void and unenforceable. Where this Agreement  
20 states that a term is not material, then the Court's refusal to approve that term leaves all the other terms  
21 of the Agreement in effect, and does not give Class Counsel or any Class Member any basis to abrogate  
22 this Agreement.

23                           **10.2.2. No Construction Against the Author.** Each Party participated in  
24 drafting this Agreement, and its terms shall not be construed against any Party by virtue of  
25 draftsmanship.

26                           **10.2.3. Exhibits Incorporated by Reference.** This Agreement include the  
27 terms set forth in any attached exhibit. Any exhibit to this Agreement is an integral part of it.  
28

1                   **10.2.4. Headings.** The headings within this Agreement appear for convenience  
2 of reference only and shall not affect the construction or interpretation of any part of this Agreement.

3                   **10.2.5. Invalidity of Any Provision.** Before declaring any provision of this  
4 Agreement invalid, the Court shall first attempt to construe the provision valid to the fullest extent  
5 possible so as to render all provisions of this Agreement enforceable.

6                   **10.2.6. Parties' Entire Agreement.** This Agreement, with its Definitions,  
7 Recitals, and Exhibits, constitutes the entire agreement on its subject matter, and supersedes all prior  
8 and contemporaneous negotiations and understandings between the Parties.

9                   **10.2.7. Waivers and Modifications to Be in Writing.** No waiver,  
10 modification, or amendment of this Agreement shall be valid unless it appears in a writing signed by or  
11 on behalf of all Parties, and then shall be valid subject to any required Court approval. Any failure to  
12 insist upon the strict performance of any provision shall not be deemed a waiver of future performance  
13 of that provision or of any other provision of this Agreement.

14                   **10.2.8. Governing Law.** All terms of this Agreement shall be governed by and  
15 interpreted according to Washington law.

16                   **10.3. Inadmissibility of Settlement Documents.** The Parties agree that this  
17 Agreement and all exhibits thereto shall be inadmissible in any proceeding, except a proceeding to  
18 approve or enforce this Agreement. This Agreement will operate as a complete defense to—and may be  
19 used as the basis for an injunction against—any proceeding attempted in breach of this Agreement.

20                   **10.4. No Tax Advice.** Nothing in this Agreement is advice by Class Counsel or  
21 Defense Counsel regarding taxes or taxability, and no Party is relying upon Class Counsel or Defense  
22 Counsel for such advice. Each Party instead is relying exclusively on the Party's own independent tax  
23 counsel in connection with this Agreement.

24                   **10.5. No Impact on Employee Benefits.** This Agreement does not affect any right or  
25 obligation under any benefits plan. No payment made under this Agreement shall be considered as  
26 compensation or hours worked or hours paid for purposes of determining eligibility, vesting,  
27 participation, or contributions with respect to any employee benefit plan. For purposes of this  
28 Agreement, the term "employee benefit plan" means every "employee benefit plan," as defined in the

1 Employee Retirement and Income Security Act of 1974, 29 U.S.C. section 1002(3). The term also  
2 includes any 401(k) plan, bonus, pension, stock option, stock purchase, stock appreciation, welfare,  
3 profit sharing, retirement, disability, vacation, severance, hospitalization, insurance, incentive, deferred  
4 compensation, or any other similar benefit plan, practice, program, or policy, regardless of whether any  
5 such plan is considered an employee benefit plan.

6 **10.6. No Prior Assignments or Undisclosed Liens.** Each Class Representative and  
7 the Class Counsel represent that they have not assigned, transferred, conveyed, or otherwise disposed  
8 of any Released Claim or claim to attorneys' fees and costs to be paid under this Agreement. Each  
9 Class Representative and the Class Counsel further represent and warrant that there are not any liens or  
10 claims against any amount that Defendant is to pay under this Agreement. Each Class Representative  
11 and Class Counsel agree to defend, to indemnify, and to hold Defendant harmless from any liability,  
12 losses, claims, damages, costs, or expenses, including reasonable attorneys' fees, resulting from a  
13 breach of these representations or from any lien or assignment.

14 **10.7. Cooperation of the Parties.** The Parties will comply with the covenants of good  
15 faith and fair dealing and otherwise cooperate as follows.

16 **10.7.1. Affirmative Duty to Cooperate.** Each Party, upon the request of  
17 another, agrees to perform such acts and to execute and to deliver such documents as are reasonably  
18 necessary to carry out this Agreement. In the same spirit, the Parties agree to make all reasonable  
19 efforts to avoid unnecessary Administrative Costs.

20 **10.7.2. Language of Settlement Documents.** All documents filed with the  
21 Court or sent to Class Members in connection with this Agreement must be approved by all Parties  
22 before being filed or sent.

23 **10.7.3. Refraining from New Proceedings.** The Parties agree to refrain from  
24 further litigation with respect to the Action, except any proceeding needed to obtain Preliminary  
25 Approval, Final Approval, or Judgment.

26 **10.7.4. No Solicitation of Objections or Opt Outs.** The Parties represent that  
27 they have not solicited, encouraged, or assisted—and will not solicit, encourage, or assist—Objections  
28 or Requests for Exclusion.

1                   **10.7.5. Waiver of Right to Object by Class Representative.** Each Class  
2 Representative, by signing this Agreement, agrees not to object to any term of this Agreement.

3                   **10.8. Confidential Information.** Class Counsel will destroy all confidential  
4 documents and information provided by Defendant within 60 calendar days of the Effective Date. Class  
5 Counsel further agree that no information provided by Defendant shall be used for any purpose other  
6 than prosecution of this Action.

7                   **10.9. Disputes.** If the Parties dispute the interpretation of this Agreement, then they  
8 will attempt to resolve the dispute informally. If those efforts fail, they will mediate the dispute. The  
9 Parties will split the costs of the mediator, and the Parties will bear their own fees and costs. The Court  
10 shall retain jurisdiction over enforcement and implementation of this Agreement, and can require  
11 specific performance, although the Court lacks jurisdiction to modify the terms of this Agreement. If a  
12 Party institutes legal action to enforce this Agreement, then the prevailing Party will be entitled to  
13 recover attorney's fees and costs incurred in vindicating that Party's position.

14                   **SO AGREED:**

15 DATED: 2/12/2019

BBSI

16 By: [Signature]  
17 [TITLE] HR Director

18 DATED: 2/13/2019

MILLER NASH GRAMAM & DUNN LLP  
19 By: [Signature]  
20 Attorneys for Defendant BBSI

21 DATED: \_\_\_\_\_

By: \_\_\_\_\_  
Amanda Dougherty, Plaintiff

23 DATED: \_\_\_\_\_

24 BERGER MONTAGUE  
By: \_\_\_\_\_  
25 Attorneys for Plaintiff

26 DATED: February 11, 2019

27 TERRELL MARSHALL LAW GROUP PLLC  
By: [Signature]  
28 Attorneys for Plaintiff

1                   **10.7.5. Waiver of Right to Object by Class Representative.** Each Class  
2 Representative, by signing this Agreement, agrees not to object to any term of this Agreement.

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5 Counsel further agree that no information provided by Defendant shall be used for any purpose other  
6 than prosecution of this Action.

7                   **10.9. Disputes.** If the Parties dispute the interpretation of this Agreement, then they  
8 will attempt to resolve the dispute informally. If those efforts fail, they will mediate the dispute. The  
9 Parties will split the costs of the mediator, and the Parties will bear their own fees and costs. The Court  
10 shall retain jurisdiction over enforcement and implementation of this Agreement, and can require  
11 specific performance, although the Court lacks jurisdiction to modify the terms of this Agreement. If a  
12 Party institutes legal action to enforce this Agreement, then the prevailing Party will be entitled to  
13 recover attorney's fees and costs incurred in vindicating that Party's position.

14                   **SO AGREED:**

15 DATED: \_\_\_\_\_

BBSI

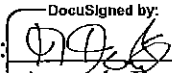
16 By: \_\_\_\_\_  
17 [TITLE]

18 DATED: \_\_\_\_\_

MILLER NASH GRAHAM & DUNN LLP

19 By: \_\_\_\_\_  
20 Attorneys for Defendant BBSI

21 DATED: 2/15/2019

By:  \_\_\_\_\_  
22 DocuSigned by:  
Amanda Dougherty, Plaintiff

23 DATED: 2/15/2019

24 BERGER MONTAGUE  
By:  \_\_\_\_\_  
25 Attorneys for Plaintiff

26 DATED: February 11, 2019

27 TERRELL MARSHALL LAW GROUP PLLC  
By:  \_\_\_\_\_  
28 Attorneys for Plaintiff

1 AGREED AS AMENDED:

2 DATED: 5/20/2019

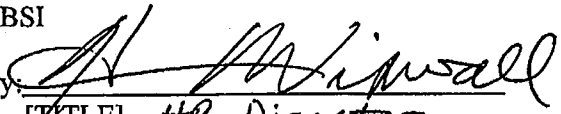
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11  
12  
13 DATED: May 15, 2019

BBSI

By:   
[TITLE] HR Director

MILLER NASH GRAHAM & DUNN LLP

By:   
Attorneys for Defendant BBSI

By: \_\_\_\_\_  
Amanda Dougherty, Plaintiff

BERGER MONTAGUE

By: \_\_\_\_\_  
Attorneys for Plaintiff

TERRELL MARSHALL LAW GROUP PLLC

By:   
Attorneys for Plaintiff

1 **AGREED AS AMENDED:**

2 DATED: \_\_\_\_\_

BBSI

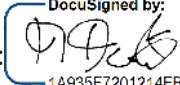
3 By: \_\_\_\_\_  
4 [TITLE]

5 DATED: \_\_\_\_\_

MILLER NASH GRAHAM & DUNN LLP

6 By: \_\_\_\_\_  
7 Attorneys for Defendant BBSI

8 DATED: 5/21/2019

9 By:  \_\_\_\_\_  
10 1A935F7201214FB...  
11 Amanda Dougherty, Plaintiff

12 DATED: May 21, 2019

13 BERGER MONTAGUE  
14 By:  \_\_\_\_\_  
15 Attorneys for Plaintiff

16 DATED: May 15, 2019

17 TERRELL MARSHALL LAW GROUP PLLC  
18 By:  \_\_\_\_\_  
19 Attorneys for Plaintiff  
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- Exhibit A -



This is a court-authorized website notice of a proposed settlement in a class action lawsuit regarding background reports that Barrett Business Services, Inc., also referred to as BBSI, obtained on certain job applicants. Payments to participating Class Members are likely to be between \$XX-\$XX, as explained in paragraph 6 below. To receive a payment, Class Members must submit a Claim Form, as explained in paragraph 5 below.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:</b>	
<b>Submit a Claim Form</b>	If you want a payment, you need to return a Claim Form. You should have received a Claim Form in the mail. You may also go to <a href="http://www.URL.com">www.URL.com</a> to complete a Claim Form online.
<b>Do Nothing</b>	If you don't return the Claim Form, you will receive no monetary recovery and will lose your right to sue Barrett Business Services, Inc. over related matters in the future.
<b>Exclude Yourself</b>	This is the only option that allows you to be part of any other lawsuit against BBSI about the matters being resolved in this Settlement. But by excluding yourself, you will not receive payment in this Settlement.
<b>Object</b>	Ask for an opportunity to tell the Court why you object to the Settlement.

Your rights and options—and the deadlines to exercise them—are explained in this Notice.

This Notice summarizes the proposed Settlement. For the precise terms and conditions of the Settlement, you may view the Settlement Agreement at [www.URL.com](http://www.URL.com). You may also contact the Settlement Administrator at 1-800-XXX-XXXX.

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## Basic Information

### 1. Why am I seeing this Notice?

The Court in this case has approved the posting of this Notice on a website so that it could be viewed by Class Members, who may become members of the Settlement Class. The Class Members are:

All persons on whom Barrett Business Services, Inc. obtained a consumer report for employment purposes using a disclosure form containing a liability release or an overbroad authorization from August 26, 2013 to January 15, 2019.

Class membership is determined on the basis of the records of BBSI and the vendors it hired to produce background reports. You may be a Class Member if you applied to work for a different company and your job application was processed by BBSI. If you are unsure of whether you are a Class Member, you can contact the Settlement Administrator at ~~XX~~.

This Notice has been posted because Class Members have a right to know about a proposed settlement of a lawsuit in which they are class members, and about all their options, before the Court decides whether to approve the Settlement. If the Court approves the Settlement, and after objections or appeals relating to that Settlement are resolved, the benefits provided for by the Settlement will be available to members of the Settlement Class. Class Members become members of the Settlement Class by submitting a Claim Form.

This Notice explains the Litigation, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them. A full copy of the Settlement Agreement may be reviewed at the Settlement Website: ~~www.URL.com~~. This Notice contains only a summary of the Settlement Agreement.

The Court in charge of this case is the Washington Superior Court in and for the County of Clark, The Honorable Robert Lewis presiding. The Litigation is called *Amanda Dougherty v. Barrett Business Services, Inc.*, Case No. 17-2-05619-1 (the "Litigation"). Amanda Dougherty, the person who filed this Litigation, is called the Plaintiff, and BBSI is called the Defendant.

### 2. What is the Litigation about?

Plaintiff alleges that BBSI violated the Fair Credit Reporting Act ("FCRA") when it obtained background reports on job applicants by using a disclosure form that allegedly was not a stand-alone form as required by the FCRA. Plaintiff alleges that the use of allegedly non-compliant disclosure forms (the "Challenged Disclosure Forms") caused her harm and violated the law.

BBSI disputes the Plaintiff's claim and denies all liability to Plaintiff and the Class, and has raised a number of defenses to the claims asserted. In particular, BBSI maintains that the Challenged Disclosure Forms fully complied with the FCRA and did not harm anyone.

The Parties are settling the Litigation to avoid further risk and expense. No court has found BBSI to have violated the law in any way. No court has found that the Plaintiff or the Class could recover any certain amount in this Litigation.

Although the Court has authorized notice to be given of the proposed Settlement, this Notice does not express the opinion of the Court on the merits of the claims or defenses asserted by either side in the Litigation.

### 3. Why is this case a class action?

Class actions are lawsuits in which the claims and rights of many people are decided in a single proceeding. In a class action, a representative Plaintiff is called a "Class Representative." That Plaintiff seeks to assert claims on behalf of all similarly situated people. The Plaintiff can thus conserve resources by asserting all the claims in one lawsuit. Class actions often involve circumstances where claimed individual damages are too small for people to proceed on their own, but where the defendant's conduct affected a number of people in the same way.

Lawyers who represent people who file class actions are called "class counsel." The lawyers who brought this case ("Class Counsel") have not yet been paid any money for their work and have paid all their expenses out of pocket. They will be paid only if they win the Litigation or if the Court approves the Settlement.

### 4. Why is there a settlement?

The Court did not decide this case in favor of the Plaintiff or in favor of BBSI. If approved, the Settlement will stop the Litigation from being litigated any more. If the Litigation continued, there is a possibility that the Settlement Class would receive nothing. There is also the possibility that BBSI would be required to pay more than it has agreed to pay as a result of the Settlement.

Class Counsel investigated the facts and law regarding the Plaintiff's claims and BBSI's defenses. The Parties engaged in lengthy and arms-length negotiations to reach this Settlement. Plaintiff and Class Counsel believe that the proposed Settlement is fair, reasonable, and adequate and in the best interests of the Settlement Class.

Both sides agree that by settling BBSI is not admitting any liability or that it did anything wrong. Both sides want to avoid the uncertainties and expense of further litigation.

### Who Is In The Settlement

### 5. How do I know if I am part of the Settlement?

You are part of the Settlement if you applied for job and your job application was processed by BBSI and BBSI conducted a background check about you using one of the Challenged Disclosure Forms at any time from August 26, 2013 to January 15, 2019. Plaintiff alleges that BBSI, to obtain background reports on job applicants, used disclosure forms that were not stand-alone forms (as the FCRA requires), but that instead contained additional information not permitted by law. To receive a payment, you must submit a Claim Form.

If you have received the Postcard Notice, the records of BBSI and the vendors it hired to produce background reports indicate you are a member of the Settlement Class. If you are not certain as to whether you are a Class Member, you may contact the Settlement Administrator to find out. The Administrator can be reached at 1-800-XXX-XXXX. The question of class membership will be determined based on the records of BBSI and the vendors it hired to produce background reports

## **The Settlement Benefits—What You Get**

### **6. What does the Settlement provide?**

The Settlement provides money for Settlement Class Members. BBSI will provide a settlement fund of \$1,500,000. This money will be available for payment to about 48,935 Class Members and will also be used to pay for any court-approved attorneys' fees, Class Representative service payment, and administration costs.

The exact amount each Class Member will receive will depend on the amount of fees, service payments and costs, as well as the number of Claim Forms returned. Although the exact amount of payment will vary depending on the amount of attorneys' fees, Class Representative Service payment, administration costs, and the number of Claim Forms submitted, it is expected that Settlement Class Members will receive between \$XX-\$XX. You need to submit a Claim Form in order to get money from the settlement.

### **7. How can I get a benefit?**

To get money from the settlement, you need to return the Claim Form that was mailed to you, postmarked on or before **DATE** or submit a claim form online on or before **DATE**. The completed Claim Form must be signed and dated but online forms can be signed electronically.

Your interest as a Class Member will be represented by the Plaintiff and Class Counsel. You will be bound by any judgment arising from the Settlement. If the Settlement is approved, and you timely return a valid Claim Form, the Settlement Administrator will send you a check for any money you're entitled to under the Settlement.

If you change your address, you must mail a notification of your new address to the Settlement Administrator or submit a change of address online at [www.URL.com](http://www.URL.com).

### **8. When would I get my money?**

The Court will hold a final approval hearing on **DATE** at **TIME** at the Clark County Courthouse located at 1200 Franklin Street, Vancouver, Washington, to decide whether to approve the Settlement. If the Court changes the date or time of the hearing, the website [www.URL.com](http://www.URL.com) will be updated but no other notice will be provided. If the Settlement is approved, there may be appeals. Payments to members of the Settlement Class will be made only if the Settlement is finally approved. This may take some time, so please be patient.

### **9. What am I giving up if I stay in the Class?**

Upon the Court's approval of the Settlement, all Class Members (whether or not they have timely submitted a properly completed Claim Form) who have not timely and properly opted out of the Settlement Class (as well as their spouses, heirs, and others who may possess rights on their behalf), will fully release BBSI from any and all claims arising out of or relating directly or indirectly in any manner whatsoever to the facts alleged or that could have been alleged or asserted in the Litigation, including but not limited to any and all claims under 15 U.S.C. § 1681b, and any analogous state law claims. This release explicitly includes claims for actual damages, statutory damages, and punitive damages, as well as for attorneys' fees and costs.

This release may affect your rights, and may carry obligations, in the future. To view the full terms of this release, which are contained in the Settlement Agreement, please visit [www.URL.com](http://www.URL.com).

#### 10. How do I get out of the Settlement?

If you choose to be excluded from the Settlement (or “opt out”), you will not be bound by any judgment or other final disposition of the Litigation and you will not receive any settlement payment. You will retain any claims against BBSI you might have. To opt out, you must state in writing your desire to be excluded from the Settlement Class. **Your request for exclusion must be sent by first class mail, postmarked on or before DATE**, addressed to:

*Dougherty v. Barrett Business Services, Inc.*  
c/o Settlement Administrator

ADDRESS  
ADDRESS

**If the request is not postmarked on or before DATE, your request for exclusion will be invalid**, and you will be bound by the terms of the Settlement approved by the Court, including the judgment ultimately rendered in the case, and you will be barred from bringing any claims that arise out of or relate in any way to the claims in the Litigation as specified in the release referenced in paragraph 9 above.

#### 11. If I don't exclude myself, can I sue Barrett Business Services, Inc. for the same thing later?

No. Unless you exclude yourself, you give up any right to sue BBSI for the claims that this Settlement resolves, even if you do not submit a Claim Form. If you have a pending lawsuit, speak to your lawyer in that case immediately.

#### 12. If I exclude myself, can I get money from this Settlement?

No. If you exclude yourself, you are not part of the Settlement.

#### The Lawyers Representing You

#### 13. Do I have a lawyer in this case?

The Court has appointed Berger Montague, and Terrell Marshall Law Group PLLC as Class Counsel:

E. Michelle Drake	Beth E. Terrell
John Albanese	Blythe H. Chandler
Berger Montague	Terrell Marshall Law Group PLLC
43 SE Main Street, Suite 505	936 North 34th Street, Suite 300
Minneapolis, MN 55414	Seattle, WA 98103

You may hire your own attorney to advise you, but if you hire your own attorney, you will be responsible for paying that attorney's fees.

#### 14. How will the lawyers and Class Representatives be paid?

Class Counsel have not been paid anything for their representation of the Settlement Class to date. They have paid all the expenses of litigation out of their own pockets. If they were to lose the case, they would be paid nothing.

In connection with this Settlement, Class Counsel intend to apply to the Court for payment of attorneys' fees and costs, in an amount not to exceed one-third of the total Gross Settlement Amount, plus reasonable out-of-pocket expenses. The Court will evaluate whether this fee request is reasonable in light of Class Counsel's skill and the risk they undertook in bringing the Litigation. The Court may award less.

The Court has appointed the Plaintiff, Amanda Dougherty, as the Class Representative. Class Counsel also will seek compensation for her services to the Class Members, in an amount not to exceed \$3,500. This compensation is intended to pay the Class Representative for the time and effort put into bringing this Litigation on behalf of everyone in the Settlement Class.

The costs of settlement administration are expected to be approximately \$XX. If awarded by the Court, all of these amounts will be paid directly out of the settlement fund.

## Objecting To The Settlement

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

You can ask the Court to deny approval of the Settlement by filing an objection. You cannot ask the Court to order a larger settlement; the Court can only approve or deny the Settlement as is. If the Court denies approval, then no settlement payments will be sent out and the Litigation will continue. If that is what you want to happen, you must object.

You may object to the proposed Settlement in writing. You may also appear at the final approval hearing, either in person, or through your own attorney. If you appear through your own attorney, you are responsible for paying that attorney.

All written objections and supporting papers must (a) clearly identify the case name and number (*Dougherty v. Barrett Business Services, Inc.*, Case No. 17-2-05619-1 (Clark County Superior Court)), (b) contain the basis for and an explanation of the objection, (c) contain your name, address, telephone number, and email address (if you have one), (d) include a statement of whether you intend to appear at the final approval hearing, either with or without an attorney, and (e) be submitted to the Settlement Administrator, [address]. Your objection must be submitted with a postmark on or before **DATE**.

Any member of the Settlement Class who does not submit an objection in the time and manner described above will not be permitted to raise that objection later.

No payments under the Settlement will go to any objector, or any objector's counsel.

### 16. What's the difference between objecting and excluding?

Objecting is simply telling the Court that you don't like something about the Settlement. You can object only if you stay in the Settlement. Excluding yourself is telling the Court that you don't want to be part of the Settlement. If you exclude yourself, you have no basis to object because the Litigation no longer affects you.

### 17. Where and when will the Court decide whether to approve the Settlement?

There will be a final approval hearing to consider approval of the proposed Settlement on **DATE** at **TIME** in Clark County Superior Court at 1200 Franklin Street in Vancouver, Washington. The hearing may be postponed to a later date without further notice. Settlement Class Members should check [www.URL.com](http://www.URL.com) regularly for any



changes to this date. The purpose of the hearing is to determine the fairness, reasonableness, and adequacy of the terms of Settlement; whether the Settlement Class is adequately represented by the Class Representatives and Class Counsel; and whether an order and Final Judgment should be entered approving the proposed Settlement. The Court also will consider Class Counsel's application for payment of attorneys' fees and expenses and Class Representatives' compensation.

You will be represented at the final approval hearing by Class Counsel, unless you choose to enter an appearance in person or through your own counsel. The appearance of your own attorney is not necessary to participate in the hearing.

#### **18. Do I have to come to the hearing?**

No. Class Counsel will represent the Settlement Class at the final approval hearing, but you are welcome to come at your own expense. If you send any objection, you do not have to come to Court to talk about it, but you may if you wish. As long as you timely submitted your written objection, the Court will consider it. You may also pay your own lawyer to attend, if you wish.

#### **19. May I speak at the hearing?**

You may ask the Court for permission to speak at the final approval hearing. To do so, you must send with your objection a notice of intention to appear at the hearing as described in Paragraph 15 above. You cannot speak at the hearing if you excluded yourself.

#### **Getting More Information**

#### **20. Are there more details about the Settlement?**

This Notice is only a summary. For a more detailed statement of the matters involved in the Litigation or the Settlement, you may refer to the papers filed in this case during regular business hours at the office of the Clerk of the Court, Clark County Superior Court, 1200 Franklin Street, Vancouver, Washington, 98660, File: *Dougherty v. Barrett Business Services, Inc.*, Case No. 17-2-05619-1. The full Settlement Agreement and certain pleadings filed in the case are also available at [www.URL.com](http://www.URL.com) or can be requested, in writing or by phone, from the Settlement Administrator.

#### **21. How do I get more information?**

You can visit [www.URL.com](http://www.URL.com) or contact the lawyers representing the Settlement Class, identified in Paragraph 13 above. **Please do not contact the Court for information.**



- Exhibit B -

# COURT ORDERED NOTICE

*Dougherty v. Barrett Business  
Services, Inc.*

## Class Action Notice

Opt Out Deadline:

XX/XX/XXXX

If You Submit A  
Claim, You May Be  
Able to Receive  
Between \$XX-XX

*Dougherty v. Barrett Business Services, Inc.*

c/o ADMINISTRATOR  
ADDRESS  
ADDRESS

FIRST CLASS  
MAIL  
US POSTAGE  
PAID  
Permit#



Postal Service: Please do not mark barcode

ABC-1234567-8

First Last  
Address1  
Address2  
City, State, Zip Code



A settlement has been reached in a class action lawsuit, called *Dougherty v. Barrett Business Services, Inc.*, alleging violations of the Fair Credit Reporting Act. Plaintiff claims that Barrett Business Services, Inc., also referred to as BBSI, failed to use a proper disclosure before obtaining background checks on job applicants. BBSI vigorously denies that it violated any law, but has agreed to the Settlement to avoid the uncertainties and expenses associated with continuing the Litigation. This Notice summarizes the proposed Settlement. For the precise terms and conditions of the Settlement, see the longer Notice of Settlement and review the Settlement Agreement, both of which are available at [www.URL.com](http://www.URL.com).

**Am I a Class Member?** You are a Class Member if you applied for employment through BBSI at any time from August 26, 2013 to January 15, 2018, authorized a background report, and BBSI conducted a background check about you. If you are not certain as to whether you are a Class Member, you may contact the Settlement Administrator to find out. The Administrator can be reached at 1-800-XXX-XXXX.

**What Can I Get?** If the Settlement is approved by the Court, you will receive money so long as you submit a Claim Form by **Date**, unless you first opt out. The amount will depend on the total Claim Forms filed, and the amount of attorneys' fees, Class Representative payment, and administration costs approved by the Court. Class Counsel estimates that payments could range from \$ to \$.

**How Do I Get a Payment?** To receive a payment, you need to return the Claim Form that was mailed to you, postmarked on or before **DATE** or submit a claim form online at [www.URL.com](http://www.URL.com) on or before **DATE**.

**How Do I Exclude Myself or Object?** You may exclude yourself from the Settlement Class by mailing a written notice to the Settlement Administrator by **Date**. If you exclude yourself, then you cannot receive a settlement payment, but you keep any rights you may have to sue Barrett Business Services, Inc. over the legal issue in this Litigation. You can also object. If you do not exclude yourself, then you or your lawyer can appear before the Court and object to the Settlement. Your written objection must be submitted to the Settlement Administrator no later than **Date**. Specific instructions on how to object to or exclude yourself from the Settlement are available at [www.URL.com](http://www.URL.com).

**Who Represents Me?** The Court has appointed a team of lawyers from Berger Montague, and Terrell Marshall Law Group PLLC to serve as Class Counsel. They will petition to be paid legal fees from the settlement fund, and will also petition for their reasonable legal expenses in pursuing the lawsuit. But you may hire your own lawyer at your expense if you so choose.

**When Will the Court Consider the Settlement?** The Court will hold a final approval hearing on **DATE** at **TIME** at 1200 Franklin St, Vancouver, Washington 98660. If the date or time changes the settlement website will be updated with the new information. At that hearing, the Court will hear any objections concerning the fairness of the Settlement, decide whether to approve the requested attorneys' fees, Class Representative payment, and administration costs, and determine the final fairness of the Settlement.

**How Do I Get More Information?** For more information, go to [www.URL.com](http://www.URL.com), or contact the Settlement Administrator at 1-800-XXX-XXXX.

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Detachable Claim Form to be formatted by Administrator