

NOTICE OF CLASS ACTION SETTLEMENT

Kierre J. Townsend v. G2 Secure Staff, L.L.C. et al.

Superior Court of the State of California, County of Los Angeles, Case No. 18STCV04429

TO: All persons in the United States who applied to be employed by G2 Secure Staff, L.L.C. and were the subject of a background check(s) that was procured or caused to be procured by G2 Secure Staff, L.L.C. from November 9, 2016 through February 3, 2020.

Why should you read this Notice?

A proposed settlement (the “Settlement”) has been reached in a class action lawsuit in *Kierre J. Townsend v. G2 Secure Staff, L.L.C. et al.*, Superior Court of the State of California, County of Los Angeles, Case No. 18STCV04429 (the “Action”). The purpose of this Notice of Settlement (“Notice”) is to describe the case, and to inform you of your rights and options in connection with the Action and the proposed Settlement. The proposed Settlement will resolve all claims in the Action.

A hearing concerning the fairness of the Settlement will be held before the Hon. William F. Highberger on July 7, 2020 at 11:00 a.m. at the following address: 312 N. Spring St., Los Angeles, CA 90012, in Department 10, to determine whether the case should be finally approved. The date and time of the Final Approval Hearing may change without further notice to the Class.

AS A CLASS MEMBER, YOU ARE ELIGIBLE TO RECEIVE A PAYMENT UNDER THE SETTLEMENT AND WILL BE BOUND BY THE RELEASED CLAIMS DESCRIBED IN THIS NOTICE, UNLESS YOU REQUEST TO BE EXCLUDED FROM THE SETTLEMENT, AS EXPLAINED BELOW.

Who is affected by this proposed Settlement?

The Court has certified, for settlement purposes, the following class (the “Class”):

“All persons in the United States who applied for employment with Defendants and were the subject of a background check(s) that was procured by Defendants, or caused to be procured by Defendants, at any time from November 9, 2016 through February 3, 2020.”

According to the records of G2 Secure Staff, L.L.C., you are a member of the Class (“Class Member”).

What is this case about?

In the Action, Plaintiff alleges on behalf of herself and a putative nationwide and California class the following claims against Defendants: (1) violation of 15 U.S.C § 1681b(b)(2)(A) (Fair Credit Reporting Act); (2) violation of 15 U.S.C. §§ 1681d(a)(l) and 1681g(e) (Fair Credit Reporting Act); (3) violation of California Civil Code §§ 1786 *et seq.* (Investigative Consumer Reporting Agencies Act); and (4) violation of California Civil Code §§ 1785 *et seq.* (Consumer Credit Reporting Agencies Act). The Action asserts claims for penalties, injunctive relief, costs of suit, interest, restitution, and reasonable attorneys’ fees.

Defendants are confident that they have strong legal and factual defenses to these claims, but they recognize the risks, distractions, and costs associated with litigation. Defendants contend that their background check policies and procedures and background check disclosures/authorizations are lawful and have been lawful throughout the Class Period. Defendants also contend that Plaintiff’s claims do not meet the requirements for class certification.

This Settlement is the result of good faith, arm’s length negotiations between Plaintiff and Defendants, through their respective attorneys. Both sides agree that in light of the risks and expenses associated with continued litigation, this Settlement is fair and appropriate under the circumstances, and in the best interests of the Class Members. The Settlement is a compromise and is not an admission of liability on the part of Defendants.

Questions? Visit www.TownsendvG2SecureStaff.com or call toll-free at 1-888-964-0606

Who are the attorneys representing the Parties?

The attorneys for the Class Representative in the Action (“Class Counsel”) are:	The attorneys for Defendant are:
Shaun Setareh Thomas Segal Setareh Law Group 315 South Beverly Drive, Suite 315 Beverly Hills, CA 90212 Telephone: (310) 888-7771	Robert Jon Hendricks Kathy H. Gao Morgan, Lewis & Bockius LLP 300 South Grand Avenue, 22 nd Floor Los Angeles, CA 90071 Telephone: (213) 612-2500

What are the Settlement terms?

Subject to final Court approval, Defendants will pay \$759,000 (the “Gross Settlement Amount”) for: (a) settlement payments to Class Members; (b) the Court-approved Service Payment to the Class Representative; (c) the Court-approved Class Counsel’s fees (*i.e.*, \$253,000) and costs (up to \$17,000); and (d) the costs of administering the Settlement.

Class Members’ Settlement Payments. After deductions from the Gross Settlement Amount for attorneys’ fees and costs, the Service Payments to the Class Representative, and the costs of administering the Settlement, there will be a Net Settlement Amount. From this Net Settlement Amount, Defendants will make a payment (“Settlement Payment”) to each Class Member who does not opt out of the Settlement Class as follows: (a) each Class Member whose state of residence is California and/or whose background check(s) was/were procured by Defendants in California during the Class Period shall be allocated 1.25 points; (b) each Class Member whose state of residence is not California and/or whose background check(s) was/were procured by Defendants outside of California during the Class Period shall be allocated 1 point; (c) the total aggregate points for all Class Members shall be calculated by the Settlement Administrator; and (d) each Class Member will be paid from the Net Settlement Amount on a pro rata basis based on their individual point(s). Any payments which are not cashed after 180 days shall be sent to the California State Unclaimed Property Fund for the benefit of the respective Class Member whose state of residence is California, or the equivalent state unclaimed property fund for the benefit of the respective Class Member whose state of residence is not California.

None of the parties or attorneys makes any representations concerning the tax consequences of this Settlement or your participation in it. Class Members should consult with their own tax advisors concerning the tax consequences of the Settlement. Class Counsel is unable to offer advice concerning the state or federal tax consequences of payments to any Class Member.

Class Counsel Attorneys’ Fees and Costs, Class Representative’s Service Payment, and Settlement Administration Costs. Class Counsel will ask the Court to award attorneys’ fees up to 33¹/₃% of the Gross Settlement Amount, and reasonable litigation costs. In addition, Class Counsel will ask the Court to authorize a Service Payment of up to \$7,500 for the Class Representative in addition to the Class Representative’s portion of the Net Settlement Amount. The parties estimate the cost of administering the Settlement will be \$51,000.

What claims are being released by the proposed Settlement?

Upon the Effective Date of the Settlement, Plaintiff and each member of the Settlement Class shall be deemed to have fully, finally, and forever released the Releasees from all Released Claims through the date of the Preliminary Approval Order. “Settlement Class” shall mean all Class Members who do not timely send a signed valid Opt-Out Request that is received by the Settlement Administrator. “Releasees” shall mean Defendants and each of their respective past or present direct and/or indirect, officers, directors, owners, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, members,

trustees, fiduciaries, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, and/or assigns, in their personal, individual, official, and/or corporate capacities. “Released Claims” as to each member of the Settlement Class shall mean any and all claims that were pled or could have been pled based on the factual allegations contained in the Complaint and/or FAC and covers the period from November 9, 2016 through the Preliminary Approval Date including, without limitation, any claims, actions, causes of action, demands, damages, losses, or remedies, whether based upon federal, state, or local statutes or federal, state, or local common law, relating to, based upon, resulting from, or arising out of the alleged violations of the Fair Credit Reporting Act, including but not limited to 15 U.S.C. § 1681b(b)(2)(A), (d)(a)(1), and/or (g)(c), Investigative Consumer Reporting Agencies Act (California Civil Code §§ 1786 *et seq.*), Consumer Credit Reporting Agencies Act (California Civil Code §§ 1785 *et seq.*), California Business & Professions Code §§ 17200, *et seq.*, and/or any other federal, state or local law governing the procurement or use of background/credit checks, including laws regarding background check disclosures and authorizations and pre-adverse and adverse action notices, other penalties, related tort, contract, and punitive damages claims, claims for interest, attorneys’ fees, litigation and other costs, expenses, restitution, and equitable and declaratory relief.

Plaintiff and each Settlement Class Member also are waiving and releasing any and all claims under FCRA and any similar state or local claims, including those regarding an allegedly inadequate or otherwise improper disclosure about the procurement or use of consumer reports and/or background checks for employment purposes or pre-adverse and adverse action notices.

What are my options in this matter?

You have **two** options under this Settlement, each of which is discussed below. You may: (A) do nothing to remain in the Class and be mailed a Settlement Payment; or (B) exclude yourself from the Class and from the Settlement. If you choose to remain in the Class, you may also object to the Settlement, as explained below.

If you remain in the Class, you will be represented at no cost by Class Counsel. However, Class Counsel will not represent you for purposes of making objections to the Settlement. If you remain in the Class, you will be subject to any Judgment that will be entered in this Action, including the release of the Released Claims as described above.

OPTION A. Remain in the Class. If you wish to remain in the Class and be eligible to receive a payment under the Settlement, you do not need to do anything. You will be included in the Class automatically. By remaining in the Class and receiving settlement monies, you consent to the release of the Released Claims.

Any amount paid to Class Members will not count or be counted for determination of eligibility for, or calculation of, any employee benefits (for example, vacations, holiday pay, retirement plans, non-qualified deferred compensation plans, etc.), or otherwise modify any eligibility criteria under any employee pension benefit plan or employee welfare plan sponsored by Releasees, unless otherwise required by law.

OPTION B. Exclude Yourself from the Settlement. If you do not want to be part of the Settlement, you must submit a signed written request to be excluded from the Settlement (“Opt-Out Request”) to the Settlement Administrator. To be valid, your Opt-Out Request must be postmarked on or before **May 2, 2020**. If you do not timely submit a signed Opt-Out Request (as evidenced by the postmark), your Opt-Out Request will be rejected, you will be deemed a member of the Settlement Class, and you will be bound by the release of Released Claims as described in the “What claims are being released by the proposed Settlement?” section above and all other Settlement terms. If you timely submit a signed Opt-Out Request, you will have no further role in the Action, and for all purposes, you will be regarded as if you never were either a party to this Action or a Class Member, and thus you will not be entitled to any payment from the Settlement and will not be entitled to or permitted to assert an objection to the Settlement.

Objecting to the Settlement: If you believe the proposed Settlement is unfair or inadequate in any respect, you may object to the Settlement by submitting a written objection to the Settlement Administrator at *Townsend*

v G2 Secure Staff, c/o JND Legal Administration, PO Box 91344, Seattle, WA 98111. **You cannot object to the Settlement if you submit an Opt-Out Request to be excluded from the Settlement**, as provided under Option B above.

All objections must be signed and set forth your name, address, telephone number, and the name and case number of the Action: *Kierre J. Townsend v. G2 Secure Staff, L.L.C. et al.*, Superior Court of the State of California, County of Los Angeles, Case No. 18STCV04429. All objections must be postmarked no later than **May 2, 2020**. Your objection must clearly state the reasons why you believe the Court should find that the proposed Settlement is not in the best interest of the Settlement Class, and why you believe the Settlement should not be finally approved. The Settlement Administrator shall forward copies of any objections to Class Counsel and to Defendants' Counsel within three days of receipt. Class Counsel shall submit copies of any objections received to the Court in conjunction with the filing of the motion for final approval of the Settlement.

You may hire an attorney at your own expense to appear on your behalf or you may appear personally at the Final Approval Hearing if you submit a timely objection in the manner described above. Even if you submit an objection, you will be bound by the terms of the Settlement, including applicable releases as set forth above, if the Court finally approves the Settlement.

What is the next step in the approval of the Settlement?

The Court will hold a Final Approval Hearing on the fairness and adequacy of the proposed Settlement, the plan of distribution, Class Counsel's request for attorneys' fees and costs, the Settlement Administration Costs, and the Service Payment to the Class Representative on July 7, 2020 at 11:00 a.m. at the following address: 312 N. Spring St., Los Angeles, CA 90012, in Department 10, to determine whether the case should be finally approved. The Final Approval Hearing may be continued without further notice to Class Members. You are not required to attend the Final Approval Hearing to receive a share of the Settlement.

How can I get additional information?

This Notice only summarizes the Action, the basic terms of the Settlement, and other related matters. For more information, you may review the Court's files, including the detailed Joint Stipulation of Class Action Settlement, which is on file with the Clerk of the Court. You can also obtain a copy of the Joint Stipulation of Class Action Settlement from the settlement website at www.TownsendvG2SecureStaff.com.

Any questions regarding this Notice should be directed to the Settlement Administrator or to Class Counsel at the contact information listed above in this Notice. For more information you may also call the Settlement Administrator toll-free at 1-888-964-0606.

What should I do if my address changes?

If you received this Notice at an address other than the address shown on the Notice, or if your address changes, please promptly e-mail the Settlement Administrator at info@TownsendvG2SecureStaff.com. This will ensure that you will be mailed further notices about this Settlement at your current address, including your Settlement Payment if the Settlement is finally approved by the Court.

**PLEASE DO NOT CALL OR WRITE THE COURT OR THE ATTORNEYS FOR DEFENDANTS
ABOUT THIS NOTICE**