

- This is a Court-authorized notice of a proposed Settlement in a class-action lawsuit.
- The lawsuit is about background checks that A-Check America Inc. d/b/a A-Check Global (“A-Check”) produced on class members.
- You do not need to do anything in order to receive a payment from this Settlement.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:</b>	
<b>No Response Needed</b>	You do not need to do anything to participate in this Settlement. If the Settlement is approved by the Court, unless you choose to exclude yourself, you will receive a payment.
<b>Exclude Yourself</b>	This is the only option that allows you to be part of any other lawsuit or legal action against A-Check about the matters being resolved in this Settlement. However, you will not receive payment in this Settlement.
<b>Object</b>	Write to the Court about why you object to the Settlement.
<b>Go to a Hearing</b>	Ask to speak in Court about the fairness of 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.BackgroundCheckSettlement.com](http://www.BackgroundCheckSettlement.com). You may also contact the Settlement Administrator at 1-866-604-4083, access the Court docket in this case through the Court’s Public Access to Court Electronic Records (PACER) system at [www.cacd.uscourts.gov](http://www.cacd.uscourts.gov), or visit the Office of the Clerk of the Court for the Central District of California, Western Division, Los Angeles Courthouse, 312 N. Spring Street, Room G-8, Los Angeles, CA 90012, between 9:00 AM and 4:00 PM, Monday-Friday, excluding Court holidays.

## TABLE OF CONTENTS

BASIC INFORMATION.....	2
1. Why did I get this Notice?.....	2
2. What is the Litigation about?.....	3
3. Why is this case a class action?.....	3
4. Why is there a Settlement?.....	4
WHO IS IN THE SETTLEMENT.....	4
5. How do I know if I am part of the Settlement?.....	4
THE SETTLEMENT BENEFITS.....	5
6. What does the Settlement provide?.....	5
7. How can I get a benefit?.....	5
8. When would I get my benefit?.....	5
9. What am I giving up to get a benefit or stay in the Settlement Class?.....	5
10. How do I get out of the Settlement?.....	6
11. If I don't exclude myself, can I sue A-Check for the same thing later?.....	6
12. If I exclude myself, can I get benefits from this Settlement?.....	6
THE LAWYERS REPRESENTING YOU.....	6
13. Do I have a lawyer in this case?.....	6
14. How will the lawyers and Class Representative be paid?.....	6
OBJECTING TO THE SETTLEMENT.....	7
15. How do I tell the Court that I don't like the Settlement?.....	7
16. What's the difference between objecting and excluding?.....	7
17. Where and when will the Court decide whether to approve the Settlement?.....	8
18. Do I have to come to the hearing?.....	8
19. May I speak at the hearing?.....	8
GETTING MORE INFORMATION.....	8
20. Are there more details about the Settlement?.....	8
21. How do I get more information?.....	8

### **BASIC INFORMATION**

#### **1. Why did I get this Notice?**

The Court in this case approved the posting of this Notice so that it could be viewed by potential members of the Settlement Class. The Settlement Class includes:

All persons who were the subject of a background report prepared by A-Check, whose report contained one or more items of criminal information which were non-convictions older than seven years, and whose report was issued at any time dating from February 17, 2014 to March 1, 2017.

If you are unsure of whether you are in the Settlement Class, you can contact the Settlement Administrator at

*Smith v. A-Check America Inc.* Settlement Administrator  
P.O. Box 43434, Providence, RI 02940-3434

Composition of the Settlement Class is based upon A-Check's records.

This Notice has been posted because members of the Settlement Class have a right to know about a proposed Settlement of a class-action lawsuit in which they are Class Members, and about all of 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.

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.BackgroundCheckSettlement.com](http://www.BackgroundCheckSettlement.com). This Notice contains only a summary of the Settlement Agreement.

The Court in charge of this case is the United States District Court for the Central District of California, and the case is known as *Smith v. A-Check America Inc. d/b/a A-Check Global*, Case No. 5:16-cv-00174 (the "Litigation"). The person who filed this Litigation is called the Named Plaintiff, and A-Check is the Defendant.

## **2. What is the Litigation about?**

Named Plaintiff alleges that A-Check violated the Fair Credit Reporting Act by preparing background reports that contained information which legally could not be reported, specifically criminal non-convictions older than seven years.

A-Check disputes the Named Plaintiff's allegations and denies all liability to Named Plaintiff and the Settlement Class. A-Check denies Named Plaintiff's allegations and has raised a number of defenses to the claims asserted.

The Parties are settling the Litigation to avoid the risk and expense of further litigation. No court has found A-Check to have violated the law in any way. No court has found that the Named Plaintiff 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, representative plaintiffs are called "Class Representatives." They seek to assert claims on behalf of all members of a class or classes of similarly situated people. By doing this, they can conserve resources by asserting their claims in a single 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 lot of people all in the same way.

Lawyers who represent people who file class actions are called “class counsel.” To date, the lawyers who brought this case (“Class Counsel”) have not been paid any money for their work and have paid all their expenses out of pocket. They will only be paid 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 Named Plaintiff or in favor of A-Check. If approved, the Settlement will stop the Litigation from being litigated any more. If the Litigation continued to be litigated, there is a possibility that the Settlement Class would receive nothing. There is also the possibility that A-Check would be required to pay more than it has agreed to pay as a result of the Settlement.

Class Counsel investigated the facts and applicable law regarding the Named Plaintiff’s claims and A-Check’s defenses. The Parties engaged in lengthy and arm’s-length negotiations to reach this Settlement. Named 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, A-Check 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?**

Everyone who fits into this description is a part of the Settlement:

All persons who were the subject of a background report prepared by A-Check, whose report contained one or more items of criminal information which were non-convictions older than seven years, and whose report was issued at any time dating from February 17, 2014 to March 1, 2017.

If you received a Postcard Notice, A-Check’s records indicate you are a member of the Settlement Class. If you are not certain as to whether you are a member of the Settlement Class, you may contact the Settlement Administrator to find out. The Administrator can be reached at 1-866-604-4083. The question of class membership will be determined based on A-Check’s records.

### **THE SETTLEMENT BENEFITS—WHAT YOU GET**

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

The Settlement provides non-monetary and monetary benefits for Settlement Class Members.

First, A-Check has agreed to implement an automated process to screen out information that should not be reported on background reports. As part of this agreement, A-Check will keep an automated screening process in place for at least two years. A-Check has already implemented procedures to confirm that charges which are dismissed or dropped due to amendment of a criminal charge prior to conviction are no longer reported after seven years.

Second, A-Check will provide members of the Settlement Class with free copies of background report(s) that A-Check produced about them upon the Settlement Class Member's request.

Third, A-Check will provide a Settlement fund of \$400,000. This money will be divided among the Settlement Class Members, and will also be used to pay for any Court-approved attorneys' fees, Class Representative awards, and administration costs. After Court-approved deductions, the Settlement Fund will be divided among Class Members, with those Class Members whose reports contained dismissed criminal charges receiving four times more than those whose reports contained dismissed civil violations (such as traffic tickets). The exact amount each Settlement Class Member will receive will depend on the amount of fees, awards and costs, as well as the number of Settlement Class Members participating in the Settlement. The parties estimate those with criminal information on their reports will receive approximately \$114 and those with traffic information on their reports will receive approximately \$28. The Postcard Notice you received tells you the approximate amount you will receive.

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

You do not need to do anything to be eligible to receive a payment under this Settlement. Unless you exclude yourself from the Class, you will automatically receive a payment.

Your interest as a member of the Settlement Class will be represented by the Named Plaintiff and Class Counsel. You will be bound by any judgment arising from the Settlement. If the Settlement is approved, the Settlement Administrator will send you a check for any money to which you are entitled 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.BackgroundCheckSettlement.com](http://www.BackgroundCheckSettlement.com).

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

The Court will hold a final approval hearing on July 10, 2017 at 2:00 p.m. to decide whether to approve the Settlement. 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 to get a benefit or stay in the Settlement Class?**

Upon the Court's approval of the Settlement, all members of the Settlement Class who have not filed a timely and proper notice to exclude themselves from the Settlement Class (as well as their spouses, heirs, and others who may possess rights on their behalf), fully release A-Check from any and all claims arising under 15 U.S.C. § 1681c of the Fair Credit Reporting Act and any analogous state law claims (collectively, the "Settlement Class Member Released Claims"). This release explicitly includes claims for actual damages, statutory damages, and punitive damages, as well as for attorneys' fees and costs, relating to the Settlement Class Member Released Claims. This release is limited to the Settlement Class Member Released Claims and is not intended to be construed as a general release of all employment related claims.

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.BackgroundCheckSettlement.com](http://www.BackgroundCheckSettlement.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 A-Check 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 May 22, 2017**, addressed to:

*Smith v. A-Check America Inc.* Settlement Administrator  
P.O. Box 43434, Providence, RI 02940-3434

**If the request is not postmarked on or before May 22, 2017, your request to exclude yourself will be invalid**, and you will be bound by the terms of the Settlement approved by the Court, including without limitation, the judgment ultimately rendered in the case, and you will be barred from bringing any claims which 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 A-Check for the same thing later?**

No. Unless you exclude yourself, you give up any right to sue A-Check for the claims that this Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately.

**12. If I exclude myself, can I get benefits 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, P.C., as Class Counsel:

E. Michelle Drake  
Berger & Montague, P.C.  
43 SE Main Street, Suite 505  
Minneapolis, MN 55414

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

**14. How will the lawyers and Class Representative 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 an award of attorneys' fees, in an amount not to exceed \$133,333.33. That amount is equal to one-third of the Settlement fund. They also intend to seek out-of-pocket litigation expenses incurred during the Litigation. 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 Named Plaintiff John Smith as Class Representative. Class Counsel also will seek service awards for the Named Plaintiff of no more than \$3,500 for Plaintiff John Smith. The award is intended to compensate the Class Representative for the time and effort he has put into bringing this Litigation on behalf of everyone in the Settlement Class.

The costs of Settlement Administration are expected to be approximately \$23,000. 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, 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 (*Smith v. A-Check America Inc. d/b/a A-Check Global*, Case No. 5:16-cv-00174); (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), and be signed by you or any attorney representing you; (d) include a statement of whether you intend to appear at the final approval hearing, either with or without an attorney; (e) be submitted to the Court, either by mail to the Clerk of Court, United States District Court for the Central District of California, Los Angeles Courthouse, 312 N. Spring Street, Room G-8, Los Angeles, CA 90012, or by filing your objection in person at any location of the United States District Court for the Central District of California, and (f) be mailed to the Settlement Administrator. Your objection must be filed and/or postmarked on or before May 22, 2017.

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

The Parties have agreed and it is a term of the Settlement that no payments will be made to any objector, or any objector's counsel, for any reason, without district court approval.

### **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 July 10, 2017 at 2:00 p.m. at the United States District Court for the Central District of California, First Street Courthouse, Courtroom 8A, 8<sup>th</sup> Floor, 350 West 1<sup>st</sup> Street, Los Angeles, CA 90012. The hearing may be postponed to a later date without further notice; Settlement Class Members should check [www.BackgroundCheckSettlement.com](http://www.BackgroundCheckSettlement.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 Representative 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 an award of attorneys' fees and expenses and Class Representative's 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 filed and mailed your written objection on time, 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 Court, United States District Court for the Central District of California, Los Angeles Courthouse, 312 N. Spring Street, Room G-8, Los Angeles, CA 90012, File: *Smith v. A-Check America Inc. d/b/a A-Check Global*, Case No. 5:16-cv-00174. The full Settlement Agreement and certain pleadings filed in the case are also available at [www.BackgroundCheckSettlement.com](http://www.BackgroundCheckSettlement.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.BackgroundCheckSettlement.com](http://www.BackgroundCheckSettlement.com) or contact the lawyers representing the Settlement Class, identified in Paragraph 13 above. **Please do not contact the Court for information.**