

LEGAL NOTICE

To: All natural persons residing in the United States who between July 1, 2018 and June 16, 2021: (1) were subject to at least one CC Arrest Report, (2) Checkr's records pertaining to disputes reasonably indicate that the consumer may have disputed with Checkr that the arrest record contained in the CC Arrest Report did not belong to them, and where (3) by June 16, 2021, Checkr's records reflect that the consumer's dispute of the CC Arrest Report resulted in a changed CC Arrest Report.

YOU ARE RECEIVING THIS NOTICE BECAUSE ACCORDING TO CHECKR'S RECORDS YOU ARE A MEMBER OF THE ABOVE GROUP.

You do not need to do anything to receive a payment from the Settlement – as long as this Notice is not returned as undeliverable and you do not request to be excluded from the Settlement, you will be paid a cash amount, determined on a *pro rata* basis.

YOU SHOULD READ THIS NOTICE CAREFULLY BECAUSE IT WILL AFFECT YOUR LEGAL RIGHTS AND OBLIGATIONS.

A settlement has been proposed in a class action lawsuit pending in the United States District Court, Northern District of California, entitled *Watson v. Checkr, Inc.*, Case No. 3:19-cv-03396-EMC.

This notice explains the nature of the lawsuit, the general terms of the proposed settlement, and the legal rights and obligations of Settlement Class Members.

GENERAL BACKGROUND

Plaintiff David Edward Watson filed a class action lawsuit against Checkr, Inc. ("Checkr") on behalf of similarly situated consumers. The lawsuit claims that Checkr violated the federal Fair Credit Reporting Act (or "FCRA") by selling inaccurate background reports to current employers containing "real-time" arrest records that belonged to persons who were not the individual who was the subject of the background report. Checkr denies that it did anything wrong or that its conduct violated the FCRA, and no court or other entity has made any judgment or other determination of any liability.

The Parties have determined that it is in their best interests to settle the lawsuit. The settlement was reached after vigorous pre-trial litigation session, including two mediation sessions and confirmatory discovery. By reaching a settlement, the Parties avoid the costs and risks of a trial, and the people affected will receive benefits including compensation. In addition, Judge Edward M. Chen of the U.S. District Court of the Northern District of California has determined that it is likely that the Court will be able to give final approval to the settlement, and certify the proposed Settlement Class as a class action for settlement purposes only, with Plaintiff David Edward Watson as the class representative.

QUESTIONS? Call Toll-Free 1-833-677-1098 or visit www.WatsonFCRASettlement.com

THE PROPOSED SETTLEMENT

Checkr has agreed to make important changes to its procedures for placing arrest records on background reports as a result of the settlement, including by confirming that there is no material mismatch between any of the name, year of birth, Social Security number, or driver license identifiers that Checkr has been provided by the consumer (or customer) for the consumer (if any) and any of the same identifiers provided by the vendor Checkr uses to obtain arrest record information.

Further, Checkr agrees to establish a Settlement Fund of \$795,000.00. After administrative costs and attorneys' fees are deducted, approximately \$460,000.00 of that sum will be available to make monetary payments to members of the Settlement Class. One group of Settlement Class Members, the "Dispute Subgroup," were identified because they previously contacted Checkr stating that the arrest record placed on their report was inaccurate. Others, in the "Mismatch Subgroup," were identified through a review of Checkr's records which showed that some portion of both the name and year of birth on the arrest record did not match the name and year of birth of the individual who was the subject of the report. **You are receiving this notice because you are a member of the Dispute Subgroup. You do not need to do anything to receive a payment from the Settlement – as long as this Notice is not returned as undeliverable and you do not request to be excluded from the Settlement, you will be paid a cash amount, determined on a pro rata basis,** meaning it will depend on the number of other people who make valid claims.

Counsel for the settling plaintiff ("Class Counsel") will request that the Court approve an attorneys' fees payment of \$292,500 as compensation for their work on behalf of Settlement Class Members, and the out-of-pocket expenses they incurred during the litigation. Class Counsel will also request that the Court award the class representative, David Edward Watson, an individual settlement and service award of \$10,000, in exchange for the broader release he is giving to Checkr and the other Released Parties and for his time and efforts spent in service to the Settlement Class. Class Counsel's fee petition and request for an individual settlement and service award will be available for you to review on August 30, 2021 at www.WatsonFCRASettlement.com. The Court will make the final decision as to the amounts to be paid to the class representative and Class Counsel.

The value of any checks sent to Settlement Class Members that have not been negotiated (cash) within 60 days of the date of the check will be donated to Bay Area Legal Aid.

DISMISSAL OF ACTION AND RELEASE OF CLAIMS

If the Court approves the proposed Settlement, it will enter a final and binding judgment in the lawsuit as to all Settlement Class Members who do not request to exclude themselves from the Settlement. The judgment will contain the following release of claims:

All Settlement Class Members release the right or ability to bring or participate in a class action, mass action, representative, or other similar joint or collective claims against Checkr and/or the other Released Persons under the FCRA and/or similar state and local laws, and further release all claims for actual damages, claims for

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statutory damages, claims for attorneys' fees and costs, and claims arising under state and local laws similar in substance to the FCRA which were brought or could have been brought in the Action, including but not limited to under 15 U.S.C. § 1681e(b) or 1681i, against Checkr and the other Released Persons.

"Released Persons" in this settlement means Checkr, and also expressly includes Checkr's insurers and reinsurers, and its corporate affiliates, including predecessors, successors, assigns, current and former employees, shareholders, officers, directors, members, managers, agents, subcontractors, attorneys, insurers, re-insurers, subsidiaries, divisions, parent companies, holding companies or affiliated corporations, partnerships, limited liability companies or other organizations, vendors and all persons acting by, through, under or in concert with them. "Released Persons" does not include any employer, user or subscriber that purchases Checkr's reports at issue in this case.

FINAL SETTLEMENT APPROVAL HEARING

On October 21, 2021 at 1:30 p.m. a final settlement approval hearing will be held on the fairness of the proposed settlement. At the final settlement approval hearing, the Court will be available to hear any objections and argument concerning the proposed settlement's fairness. The Court will also consider Class Counsel's request for attorneys' fees, costs, and an individual settlement and service award for named Plaintiff David Edward Watson. Note that the Court can only approve or deny the settlement and cannot change the terms of the settlement.

The final settlement approval hearing will take place before the Honorable Edward M. Chen in the U.S. District Court for the Northern District of California, located at 450 Golden Gate Avenue, San Francisco, CA 94102, Courtroom 5. Due to the COVID-19 pandemic, the Court has been holding hearings virtually via webinar. If you would like to attend the hearing, you should check the Court's website to learn whether the hearing will be virtual and if so, how to access the webinar.

HOW TO PARTICIPATE IN THE SETTLEMENT

Because you are a member of the Dispute Subgroup, you do not need to do anything to receive a monetary payment in connection with the settlement. As long as you do not exclude yourself from the Settlement, you will receive a payment.

HOW TO EXCLUDE YOURSELF FROM THE SETTLEMENT

You may exclude yourself from the lawsuit and the Settlement by contacting the Settlement Administrator at:

Watson FCRA Settlement
c/o JND Legal Administration
PO Box 91398
Seattle, WA 98111

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All exclusion requests must be sent no later than September 7, 2021. If you timely request exclusion from the Settlement, you will be excluded from the Settlement, you will not be bound by any judgment in the lawsuit, and you will not be precluded from prosecuting any timely claim against Checkr or any Released Person based on the conduct complained of in the lawsuit.

HOW TO OBJECT TO THE SETTLEMENT

If you wish to participate in the Settlement but object to some or all of it, you must file a written objection with the Clerk of Court, and send a copy of Class Counsel and counsel for Checkr. Any written objections must state: the caption of the Litigation; the full name, address and telephone number of the Class Member objecting to the Settlement; a detailed statement of each objection asserted, including the grounds for objection and reasons for appearing and being heard, together with any documents such Class Member wishes to be considered in support of the objection; the identity of all counsel who represent the objector, including any former or current counsel who may be entitled to compensation for any reason related to the objection to the Settlement or Fee Petition; any and all agreements that relate to the objection or the process of objecting—whether written or oral—between objector or objector’s counsel and any other person or entity; the identity of all counsel representing the objector who will appear at the Final Approval Hearing; and, all relief sought.

All objections must be postmarked no later than September 9, 2021. Settlement Class Members who fail to make objections in the manner specified above will be deemed to have waived any objections. Only Settlement Class Members who sent timely objections can speak at the fairness hearing. If you wish to speak to at the fairness hearing, you must notify the Court no later than September 9, 2021. You may be subject to cross examination at the hearing. You may, but need not, enter an appearance through counsel of your choice. If you do, you will be responsible for your personal attorney’s fees and costs.

IF YOU DO NOT TIMELY MAKE YOUR OBJECTION, YOU WILL BE DEEMED TO HAVE WAIVED ALL OBJECTIONS AND WILL NOT BE ENTITLED TO SPEAK AT THE FAIRNESS HEARING.

ADDITIONAL INFORMATION

The above description of the lawsuit is general and does not cover all of the issues and proceedings that have occurred. The full Settlement Agreement detailing all of the terms of the Settlement Agreement is available at www.WatsonFCRASettlement.com. In order to see all of the proceedings in the case, you may visit the Administrative Office of the U.S. Courts, PACER Service Center, located at <http://pacer.psc.uscourts.gov>. You may also visit or call the Clerk’s office of the U.S. District Court for the Northern District of California, located at 450 Golden Gate Avenue, San Francisco, CA 94102, Courtroom 5. The phone number of the Clerk’s office is (415) 522-2000. The Clerk will tell you how to obtain the file for inspection and copying at your own expense. Due to the pandemic, the courthouse may not be open or access may be limited. Check the Court’s website before visiting the courthouse to confirm you can enter the building.

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This notice is merely a summary of the terms of the Settlement. The complete terms and conditions are set forth in the Settlement Agreement, which is available from the Court's file and on the Settlement website. To fully understand the terms and conditions of the settlement, the Court recommends that you read the Settlement Agreement, because it may contain language, terms, conditions and procedures that are not mentioned or explained in this notice. In the event of any conflict or disagreement between the language of this notice and the Settlement Agreement, the Settlement Agreement will control.

DO NOT ADDRESS ANY SUBSTANTIVE QUESTIONS ABOUT THE SETTLEMENT OR THE LITIGATION TO THE COURT OR THE JUDGE'S CHAMBERS.