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UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

DAVID EDWARD WATSON,  
Plaintiff,  
v.  
CHECKR, INC.,  
Defendant.

Case No. 3:19-CV-03396-EMC  
**CONSENT ORDER**

The Court has entered its Order Granting Motion for Final Approval of Class Action Settlement. (ECF No. 80.) Pursuant to that Order and Paragraphs 2.2(a) and 4.1 of the Class Action Settlement Agreement dated April 14, 2021 (ECF No. 66-1, the “Settlement Agreement”), the Court enters this Injunctive Relief Order and hereby orders as follows:

1. For purposes of this Injunctive Relief Order, the Court adopts and incorporates the definitions and meanings of the defined terms set forth in the Settlement Agreement.

**Injunctive Relief Applicable to Defendant**

- 2. This Order shall apply to Checkr’s CC Arrest Report product only.
- 3. In preparing CC Arrest Reports, for the next two (2) years following entry and docketing of this Order, if Checkr intends to furnish a CC Arrest Report to an end-user after any other quality control measures have completed, Checkr shall ensure as a final step in the quality control process that a Checkr employee who has been trained in the accuracy requirements of 15 U.S.C. §§

1 1681e(b) and 1681k, including completing the Professional Background Screening Association  
2 (“PBSA”) FCRA Basic Certificate Program, manually inspect such CC Arrest Report to ensure there  
3 is no material mismatch between any of the name, year of birth, Social Security number, or driver  
4 license number identifiers that Checkr has been provided by the consumer (or end-user) for the  
5 consumer and any of the same identifiers provided by the vendor Checkr uses to obtain arrest record  
6 information (“the Vendor”). If the manual quality control review reveals a Potential Mismatch (as  
7 defined below) between any of the identifiers provided by the consumer (or end-user) and the  
8 identifiers provided by the Vendor, Checkr shall not include the arrest record in the CC Arrest Report  
9 unless Checkr takes additional steps to confirm the arrest record pertains to the consumer before  
10 furnishing the CC Arrest Report (*e.g.*, contacting the public record source). Checkr will not include  
11 the arrest record in the report to the end-user unless the additional steps confirm the arrest record  
12 pertains to the consumer who is the subject of the CC Arrest Report based on precisely matching  
13 identifiers beyond the name and date of birth. “Potential Mismatch” means a circumstance in which:  
14 (a) both the Vendor and the consumer (or end-user) have provided to Checkr an identifier for the  
15 consumer; and (b) the data does not match between the two sources for a reason other than a difference  
16 in spacing, formatting, hyphenation, or minor character discrepancy (for identifiers other than a year  
17 of birth, *e.g.*, name misspelling).

18 4. Checkr’s actions taken in compliance with Paragraph 3 shall be deemed to be  
19 compliant with the requirements of 15 U.S.C. §§ 1681e(b) and 1681k and corresponding local laws.  
20 Checkr shall retain the right to modify its procedures and products to effect revisions for compliance  
21 and other business purposes, provided that Checkr shall follow the procedures set forth in Paragraph  
22 3 during the two-year term of this Order. Further, the intent of Paragraph 3 is to avoid the reporting  
23 of arrest records about the wrong person, and Checkr agrees to exercise its right under this Paragraph  
24 4 only in good faith and to further the intent of Paragraph 3.

25 **Injunctive Relief Applicable to Settlement Class Members**

26 5. Each and every Settlement Class Member, and any person actually or  
27 purportedly acting on behalf of any Settlement Class Member(s), is hereby permanently barred and  
28 enjoined from commencing, instituting, continuing, pursuing, maintaining, prosecuting, or joining any

1 actual or putative mass, class, or representative action against the Released Persons for conduct  
2 relating to the procedures set forth in Paragraph 3 occurring on or before the Effective Date. In  
3 addition, each and every Settlement Class Member is hereby also permanently barred and enjoined  
4 from commencing, instituting, continuing, pursuing, maintaining, prosecuting, directly or indirectly,  
5 in any judicial, administrative, arbitral, or other forum, the Released Claims against the Released  
6 Persons. This permanent bar and injunction is necessary to protect and effectuate the Settlement  
7 Agreement, the Final Approval Order, and this Court's authority to effectuate the Settlement  
8 Agreement, and is ordered in aid of this Court's jurisdiction and to protect its Judgment.

9 **Cure Process**

10 6. If any Settlement Class Member has a claim arising out of or related to Checkr's  
11 compliance with this Injunctive Relief Order, then such Settlement Class Member first must submit,  
12 *pro se* or through counsel, his or her claim directly to Checkr's Legal Department before taking any  
13 other action ("Claim Notice").

14 7. The Claim Notice shall be submitted, in writing, to Checkr at the following  
15 address via a dedicated email address to be established by Checkr's for this process as follows:  
16 watsonclaims@checkr.com. The Claim Notice must specifically reference the "Watson v. Checkr,  
17 Inc. Settlement Consent Order" and include full identifying information for the consumer (first,  
18 middle, last name, email address associated with the CC Arrest Report, phone number, Social Security  
19 number, date of birth, and copy of driver license or photo identification) and factual details about the  
20 reason for the Settlement Class Member's contention that Checkr allegedly failed to comply with the  
21 terms of this Injunctive Relief Order. The Settlement Class Member must personally sign the Claim  
22 Notice. The Claim Notice must be submitted to Checkr within thirty (30) days of the date of Checkr's  
23 act that the Settlement Class Member challenges. If the Claim Notice is not timely, the Settlement  
24 Class Member shall have no further claim for any relief based on Checkr's non-compliance with this  
25 Injunctive Relief Order.

26 8. Upon receipt of a timely and complete Claim Notice under the terms of this  
27 Agreement, Checkr will have 30 days in which to investigate the claim and either respond to the  
28 Settlement Class Member or cure any alleged non-compliance with this Injunctive Relief Order and

1 notify the Settlement Class Member of such cure. The 30-day period may be extended for an  
2 additional 7 days in the event that Checkr in good faith requires such additional time to conduct its  
3 investigation, including any technical or systems-related considerations.

4           9. If Checkr timely cures any alleged non-compliance with this Injunctive Relief  
5 Order, the Settlement Class Member shall have no further claim for any relief based on Checkr's non-  
6 compliance with this Injunctive Relief Order. Providing an updated CC Arrest Report to the  
7 Settlement Class Member and end-user will constitute a "cure." By submitting a Claim Notice, the  
8 Settlement Class Member will be deemed to request that Checkr send an updated CC Arrest Report,  
9 if any, to the end-user. The end-user will be deemed to have a permissible purpose for receiving from  
10 Checkr the updated CC Arrest Report, and as applicable using it, for purposes of 15 U.S.C. § 1681b  
11 and corresponding local law.

12           10. If, after the cure process described above has been completed, the Settlement  
13 Class Member wants to seek recourse because Checkr does not issue an updated CC Arrest Report,  
14 then he or she may file a claim in arbitration pursuant to the terms of any arbitration agreement between  
15 Checkr and the Settlement Class Member, or, if no such arbitration agreement exists, submit his or her  
16 claim for an updated CC Arrest Report to this Court under the caption for this Litigation. The arbitrator  
17 or this Court, as applicable, shall have exclusive and sole jurisdiction to resolve the claim by directing  
18 Checkr to furnish the Settlement Class Member with an updated CC Arrest Report. The arbitrator or  
19 this Court, as applicable, shall have no authority to order any relief except for directing Checkr to  
20 furnish the Settlement Class Member with an updated CC Arrest Report. In no event shall a Settlement  
21 Class Member or Checkr have a right to a jury trial to resolve any claim regarding this Order.  
22 Attorney's fees and costs are unavailable and shall not be awarded for any reason to any party or his,  
23 her or its counsel for initiating any proceeding to enforce this Injunctive Relief Order. Any such  
24 proceeding shall arise solely under this Injunctive Relief Order, not federal law or any other law, and  
25 thus no fee-recovery provision in any such law is or will be applicable, including 15 U.S.C. §§ 1681n  
26 and 1681o.

27           11. In the event that any Settlement Class Member or any person actually or  
28 purportedly acting on behalf of any Settlement Class Member(s), brings a suit, action, arbitration or

1 other proceeding against any of the Released Persons asserting any Released Claims, Checkr shall  
2 provide notice of the terms of this Injunctive Relief Order to such Settlement Class Member or any  
3 person actually or purportedly acting on behalf of that Settlement Class Member within 180 days after  
4 being served with such suit, action, arbitration or other proceeding.

5 12. If, within thirty (30) days following the notice prescribed in Paragraph 11, the  
6 Settlement Class Member does not voluntarily dismiss or withdraw the suit, action, arbitration or other  
7 proceeding, or disputes whether this Injunctive Relief Order applies to the asserted claims, then either  
8 party (or any other Released Person) may submit the matter to arbitration pursuant to the terms of any  
9 arbitration agreement between Checkr and the Settlement Class Member, or, if no such arbitration  
10 agreement exists, submit the matter to this Court under the caption for the Action for resolution.

11 13. In the event that any provision of this Injunctive Relief Order or the Settlement  
12 Agreement is asserted by Checkr (or any other Released Person) as a defense in whole or in part to  
13 any Claim, or otherwise asserted (including, without limitation, as a basis for a stay) in any other suit,  
14 action, arbitration or proceeding brought by a Settlement Class Member or any person actually or  
15 purportedly acting on behalf of any Settlement Class Member(s), that suit, action, arbitration or other  
16 proceeding shall be immediately stayed and enjoined until this Court or the court, arbitrator or tribunal  
17 in which the claim is pending has determined any issues related to such defense or assertion.

18 14. In the event of any dispute regarding the Cure Process set forth in sections 6  
19 through 13 of this Order, a Magistrate Judge of this court shall hear and adjudicate the disputed matter.  
20 Any references to “this Court” in paragraphs 6-13 above refers to a Magistrate Judge.

21 **Actions Not Constituting a Violation of the Injunctive Relief Order**

22 15. The spirit and intent of this Injunctive Relief Order is to further fortify Checkr’s  
23 compliance with the Fair Credit Reporting Act and corresponding local laws. To that end, *bona fide*  
24 errors in administering such practices shall not individually or in the aggregate constitute a violation  
25 of this Injunctive Relief Order. Further, nothing herein imposes obligations on Checkr beyond what  
26 is required under federal and local law.

27 16. The Court reserves continuing and exclusive jurisdiction over the Parties with  
28 respect to all matters relating to this Injunctive Relief Order, including its administration, effectuation,

1 and enforcement of its provisions pursuant to the dispute resolution process described above, except  
2 insofar as the Parties are bound to arbitrate such disputes.

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4 **IT IS SO ORDERED.**

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6 DATED: December 15, 2021

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9 Honorable Edward M. Chen  
10 United States District Judge  
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