

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND HEARING

If Accurate Background, LLC’s (“Accurate”) records show that at any time between March 10, 2019, and June 19, 2023, Accurate performed a background check on you for employment in California that contained a criminal conviction where, with respect to the conviction: (1) you were discharged from parole in the seven year period prior to the report date, and (2) your release from incarceration and placement onto parole occurred more than seven years before the date of the report, you are entitled to a payment from this Settlement.

A state court authorized this Notice. This is not a solicitation from a lawyer.

- You are receiving this Notice because Accurate’s records indicate that you are a member of the Class as described below.
- This Notice relates to a settlement in a class action lawsuit alleging that Accurate violated the California Investigative Consumer Reporting Agencies Act (“ICRAA”), Consumer Credit Reporting Agencies Act (“CCRAA”), and Unfair Competition Law (“UCL”) by reporting job applicants’ criminal convictions to potential employers that, when measured from the beginning of the parole period, were more than seven years old. Accurate denies that it violated the law. The two sides disagree as to whether Accurate’s conduct was permitted under the law. The parties, however, have agreed to resolve the lawsuit through a Court-supervised settlement.
- Accurate has agreed to pay \$2,525,000, which will be used to cover payments to Class Members, Class Counsel’s attorneys’ fees and costs, the costs of administering the settlement, and a service payment not to exceed \$20,000 to the Plaintiff who brought the lawsuit and assisted with it.
- Payments to Class Members will vary based on a number of factors described in the settlement documents. Depending on those factors, it is presently estimated that you could be eligible for a payment of up to approximately \$5,000.
- Visit the Settlement Website at www.7yearclass.com for additional details about the Settlement. You may also get additional information by contacting the Settlement Administrator at the contact information identified in Paragraph 16 below.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
DO NOTHING	If you do nothing, you will receive a payment from the Settlement and you will release the claims summarized in Paragraph 8.
EXCLUDE YOURSELF	If you wish to exclude yourself (“opt out”) from the Settlement, you must follow the directions outlined in Paragraph 9 below. If you request exclusion, <u>you will receive no money from the Settlement</u> , but also will not release any claims against Accurate. Your exclusion request must be postmarked no later than October 29, 2024.
OBJECT	If you think the Court should not approve the Settlement for any reason, you may object to the settlement, following the directions outlined in Paragraph 10 below. You must object in writing in order to appear at the Fairness Hearing to speak to the Court about the fairness of the Settlement. Your written Objection must be postmarked no later than October 29, 2024.

These rights and options – **and deadlines** – are explained in this Notice.

The Court in charge of this case still has to decide whether to give final approval to the Settlement. Class Member payments will be made if the Court approves the Settlement and after appeals, if any, are resolved. Please be patient.

BASIC INFORMATION

1. Why did I receive this Notice, and what is this lawsuit about?

You are receiving this Notice because Accurate’s records indicate that at some time between March 10, 2019, and June 19, 2023, Accurate performed a background check on you for employment in California that contained a criminal conviction where, with respect to the conviction, according to Accurate’s records: (1) you were discharged from parole in the seven year period prior to the report date, and (2) your release from incarceration and placement onto parole occurred more than seven years before the date of the report. You are therefore a member of the Class.

Plaintiff alleged that during this time period, Accurate miscalculated the seven-year reporting period for criminal convictions by counting from the end date of parole rather than the start date of parole, and that this calculation violated the ICRAA, CCRAA, and UCL. Accurate denies these allegations. This Notice has been sent because members of the Class have a right to know about the proposed Settlement of the class action lawsuit in which they are putative class members, and about all of their options, before the Court decides whether to approve the Settlement.

2. Why is there a Settlement?

The Court did not decide in favor of Plaintiff or in favor of Accurate. Both sides believe they would have prevailed, but there was no final ruling in favor of either party. Instead, both sides agreed to a settlement. The parties engaged in lengthy and arm’s length negotiations to reach this Settlement. That way, they avoid the delays and uncertainties associated with a trial.

WHO IS IN THE SETTLEMENT

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

You are part of the Settlement if, based on Accurate’s records, Accurate performed a background check on you for employment in California that contained a criminal conviction where, with respect to the conviction, according to Accurate’s records: (1) you were discharged from parole in the seven year period prior to the report date, and (2) your release from incarceration and placement onto parole occurred more than seven years before the date of the report. If you are not sure about whether you are a member of the Class, you can contact the Settlement Administrator as identified in Paragraph 16 of this Notice.

WHAT YOU GET

4. What does the Settlement provide?

Accurate has agreed to pay \$2,525,000, which will be used to cover payments to Class Members, Class Counsel’s attorneys’ fees and costs, the costs of administering the Settlement, and a service payment not to exceed \$20,000 to the Plaintiff who brought the lawsuit and assisted with it.

5. How much will my payment be?

The amount of money you individually receive will depend both on the amounts the Court approves for attorneys' fees and costs, service award, and settlement administration costs, and on how many Class Members elect to opt-out of the Settlement. Each Class Member will receive one share of the Net Settlement Fund. The value of each share will be determined by dividing the total amount of the Net Settlement Fund by the total number of shares, which is defined as the total number of Class Members who have not opted out.

Based on Accurate's estimate of the number of Class Members, assuming no Class Member opts out, you could be eligible for a payment of approximately \$5,000. This number could vary based on the Court's approval of various items in the settlement and the number of opt-out requests submitted.

HOW YOU GET A PAYMENT

6. How can I get my payment?

In order to receive a payment, you do not need to do anything at this time. The Settlement Administrator will mail you a check on or about March 31, 2025. If you choose to exclude yourself (as explained in Paragraph 9 below), then you will not receive a payment and will not be part of the Settlement.

7. How will my payment be taxed?

Your payment will be allocated as non-wage income and may be reported on an IRS Form 1099 depending on the amount. Neither Class Counsel nor Accurate makes any representations concerning the tax consequences of this Settlement and you are advised to seek your own personal tax advice regarding the tax implications of the Settlement.

8. What claims will I be releasing?

If the Court grants final approval of the Settlement, then all Class Members who did not opt out are giving up (also called "releasing") all claims of any kind against the Released Parties including all damages, injunctive relief, and any possible attorneys' fees or costs under Section 1786.18(a)(7) of the ICRAA, Section 1785.13(a)(6) of the CCRAA, or the UCL, and any state or federal analogs, that could have been brought based on the allegations in Plaintiff's Complaint. The full Settlement Agreement, including the full release language, can be accessed by following the instructions in Paragraph 15.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you want to be able to file suit against Accurate on your own, then you must exclude yourself from the Class. This process is sometimes also referred to as "opting out."

9. How do I opt out of the Settlement?

To exclude yourself from the Settlement, you must complete and sign the form included with this Notice and send it to the Settlement Administrator by First Class U.S. mail, e-mail, or fax. Your exclusion request must be postmarked no later than October 29, 2024 and sent to the Settlement Administrator at the contact information provided in Paragraph 16.

If you validly exclude yourself, you will not receive a settlement payment, and you cannot object to the Settlement, but you will not release your claims. If you wish to exclude yourself, you should speak to a lawyer as soon as possible because your claims are subject to a statute of limitations.

OBJECTING TO THE SETTLEMENT

10. How do I tell the Court that I do not like the Settlement?

You can object to the Settlement if you do not like any part of it. To object, you must send a letter via First Class U.S. Mail saying that you object to the settlement of *R. Kemp v. Accurate Background, LLC*, No. 30-2021-01188280-CU-OE-CXC. In your Objection, be sure to include your name, address, email, telephone number, your signature, and the reasons why you object to the Settlement. Your Objection must be postmarked no later than October 29, 2024 and must be mailed to the Settlement Administrator at the mailing address provided in Paragraph 16.

If you choose to object, you have the right to appear at the Fairness Hearing either on your own behalf or through counsel, should you retain your own counsel. You do not need to be represented by an attorney to object. However, if you choose to retain your own counsel, you will be solely responsible for any attorneys' fees and costs incurred. If you wish to appear at the Fairness Hearing, you must state your intention to do so in writing in your Objection.

THE LAWYERS REPRESENTING YOU

11. Do I have a lawyer in this case?

The Court has appointed Plaintiff R. Kemp as Class Representative. The Court has appointed Outten & Golden, LLP to represent you and all Class Members. These lawyers are called "Class Counsel." Unless you elect to exclude yourself from the Settlement, you will continue to be represented by Class Counsel in connection with the implementation of the Settlement throughout the duration of the terms of the Settlement at no cost to you. Class counsel may be contacted here:

Ossai Miazad
Christopher M. McNerney
Adam Koshkin
Outten & Golden, LLP
685 Third Avenue, 25th Floor
New York, New York 10071
Telephone: (212) 245-1000
7yearclass@outtengolden.com

12. How will the lawyers be paid?

Class Counsel will ask the Court to approve payment of up to 1/3rd of the Settlement Fund for their attorneys' fees, reimbursement of actual litigation expenses and costs, and reimbursement of settlement administration costs.

13. How will the Plaintiff be paid?

Class Counsel will seek a \$20,000 Service Award for Plaintiff R. Kemp, for his work representing the Class.

THE COURT'S FAIRNESS HEARING

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

The Court is currently scheduled to conduct a Final Approval Hearing regarding the proposed Settlement on January 10, 2025, at 9:00 a.m., in the Superior Court for the County of Orange, located at Civil Complex Center, Dept. CX 101, 751 W. Santa Ana Blvd, Santa Ana, CA 92701. You do not need to attend the hearing, but you may attend if you would like at your own expense. You may ask the Court for permission to speak at the Final Approval Hearing.

At this hearing, the Court will consider the fairness, reasonableness, and adequacy of the Settlement. If there are objections, the Court will consider them. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long the Court's decision will take. Please also note that the Court can continue the Final Approval Hearing to another date without further notice. Before attending, please confirm the date of the Final Approval Hearing by checking the Court's website, visiting the Settlement website at www.7yearclass.com, or contacting Class Counsel.

15. Are there more details about the Settlement?

The full Settlement Agreement and certain pleadings filed are available on the website created for this Settlement by the Settlement Administrator, available at www.7yearclass.com. The documents filed in this case may also be viewed on the Orange County Superior Court's website at <https://www.occourts.org/online-services/case-access>. Click the "Access Now" button to the right of the "Civil Case & Document Access" case type. Then click the "Accept Terms" button in the center of the page, enter the case number, and click "Search."

16. How do I get more information?

You can contact the Settlement Administrator at:

Kemp v. Accurate Background, LLC Settlement Administrator
c/o RG/2 Claims Administration
P.O. Box 59479
Philadelphia, PA 19102
Toll Free Number: 1-866-742-4955
Email: info@rg2claims.com

You can also visit the Settlement website, at www.7yearclass.com or by scanning the QR code below.

**PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK
FOR INFORMATION REGARDING THIS SETTLEMENT.**

