

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SANTA CLARA**

If Stanford University had a background check run on you between August 18, 2010 and August 22, 2015, you could get a payment from a class action settlement.

The Santa Clara County Superior Court authorized this notice. This is not a solicitation from a lawyer.

- This Notice relates to a proposed settlement in a class action lawsuit which alleges that the Board of Trustees of the Leland Stanford Junior University (“Stanford”) violated the Fair Credit Reporting Act (“FCRA”) by procuring or causing to be procured background reports for employment purposes without providing a “stand alone” disclosure in advance informing employees and applicants that a background check would be procured. Stanford denies that it violated the law in any way, but the parties have agreed to resolve the lawsuit by a proposed settlement.
- Your legal rights are affected whether you act or do not act. Read this notice carefully.
- A former employee of Stanford has sued Stanford claiming that Stanford violated federal law regarding Stanford’s procurement of background checks for employment purposes.
- Stanford has denied these claims. The Court has not decided the merits of these claims.
- To avoid litigation expenses, Stanford has agreed to class settlement of these claims. This Notice explains your rights under this settlement.
- **The expected average recovery for those class members who had a background check run between August 18, 2013 and August 22, 2015 is \$28.70.**
- **The expected average recovery for those class members who had a background check run between August 18, 2010 and August 17, 2013 is \$7.23.**
- Your legal rights are affected by this Settlement and you have a choice to make now:

DO NOTHING	If you do nothing and the Court orders final approval of the settlement, you will receive payment under the terms of the settlement, and you will also give up your rights to file your own lawsuit for claims released by this Settlement.
DO NOTHING AND DO NOT CASH CHECK	If you do nothing and the Court orders final approval of the settlement, you will receive payment under the terms of the settlement. If you receive a check and you do not cash it within the time specified, you will (1) forfeit any right to payment under this settlement, and (2) still give up your rights to file your own lawsuit for claims released by this Settlement. Money left over from any uncashed checks after the first distribution will be distributed to class members who had a background check run between August 18, 2013 and August 22, 2015 and who cashed their first check. Any money left over after that will be distributed to the following charity: Law Foundation of Silicon Valley.

ASK TO BE EXCLUDED BY AUGUST 23, 2018	Get out of this lawsuit. Get no benefits from it. Keep your rights. If you ask to be excluded from the Settlement, you will get no payment, but you will keep your rights to sue Stanford separately for the same legal claims in this lawsuit.
OBJECT IN WRITING BY AUGUST 8, 2018	Write to the Court about why you don't like the Settlement.
GO TO A HEARING ON OCTOBER 5, 2018	Ask to speak in Court about the fairness of the Settlement and/or to state your objection to the settlement.

- These rights and options—**and the deadlines to exercise them**—are explained in this notice.
- Any questions? Read on.

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BASIC INFORMATION

You are receiving this Class Notice because Stanford’s records indicate that you are a Class Member. The purpose of this Class Notice is to describe the litigation to you, inform you about the Settlement, and inform you of your rights and options in connection with the Settlement.

This lawsuit is about whether Stanford violated the Fair Credit Reporting Act and/or similar State Laws by procuring or causing to be procured background checks on employees and job applicants without providing a “stand alone” disclosure informing them that a background check would be procured.

Stanford disputes Plaintiff’s allegations and denies all liability to Plaintiff and the Settlement Class. No court has found Stanford to have violated the law in any way. No court has found that Plaintiff could recover any certain amount in this litigation.

Although the Court has authorized that this Notice 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 lawsuit. The Settlement is not yet final.

In a class action, a person called a “Class Representative” (in this case Thomas Lagos) sues on behalf of himself and other people who have similar claims. These people together are a “Class” or “Class Members.” The person who has

sued—and all the Class Members like them—are called the Plaintiffs. One court resolves the issues for all Class Members, except for those who exclude themselves from the Class.

The Court has decided that this lawsuit can be settled on a class-wide basis because it meets the requirements of California law governing class actions.

Specifically, the Court has found that:

- There are over 13,000 class members whose rights may have been violated.
- There are legal questions and facts that are common to each of them;
- Thomas Lagos' claims are typical of the claims of the rest of the Class;
- Thomas Lagos and the lawyers representing the Class will fairly and adequately represent the Class members' interests;
- The common legal questions and facts are more important than questions that affect only individuals; and
- This class action will be more efficient than having many individual lawsuits.

THE CLAIMS IN THE LAWSUIT

The complaint alleged that Stanford violated the Fair Credit Reporting Act ("FCRA") by procuring or causing to be procured background reports for employment purposes without providing a "stand alone" disclosure in advance informing employees and applicants that a background check would be procured.

The complaint seeks various remedies, including statutory damages, attorneys' fees and costs, prejudgment interest, punitive damages and other relief as may be deemed proper.

Stanford denies that it did anything wrong and claims that it has no liability whatsoever to the Plaintiff or any Class Members for any of these claims.

The Court hasn't decided whether Plaintiff or Stanford is correct. Rather, the parties have settled this lawsuit before it has gone to trial. That way, they have avoided the costs and risks of a trial so that the affected employees and applicants (who do not exclude themselves from the Settlement) will get compensation. The Class Representative and the attorneys think the Settlement is in the best interest of all Class Members.

THE SETTLEMENT BENEFITS—WHAT YOU GET

- Stanford will pay up to a maximum of \$600,000 ("Total Settlement Amount") to end this lawsuit.
- Class Members who do not exclude themselves will share on a pro rata basis the Net Settlement Amount, which is the \$600,000 less payments of (1) the amount not to exceed \$7,500 payable to the Representative Plaintiff as approved by the Court; (2) the sum of up to \$200,000 as attorneys' fees to Class Counsel as approved by the Court; (3) the sum of up to \$25,000 as costs to Class Counsel as approved by the Court; and (4) the Administrative Expenses, which are estimated to be \$70,000, as approved by the Court. If requested expenses and awards to Plaintiff are granted, your share of the fund will be approximately \$28.70 if you had a background check run between August 18, 2013 and August 22, 2015, or \$7.23 if you had a background check run between August 18, 2010 and August 17, 2013.

If you do not exclude yourself from the settlement, you will be bound by the release of claims in this settlement. "Released Claims" means all past, present or future claims, rights, demands, liabilities, and causes of action of every

kind and description, whether known or unknown, whether asserted or unasserted, whether suspected or unsuspected, including, but not limited to, for damages or other relief under the Fair Credit Reporting Act, or FCRA State Equivalents, based on the facts alleged in the Litigation. This release is limited to the claims that were actually pleaded in the complaint or could have been pleaded under state laws based on the facts alleged. The release does not include workers' compensation, personal injury or discrimination claims, and does not impact agreements you may have already entered into with Stanford.

The release applies to the time period from August 18, 2010 through August 22, 2015.

This Notice does not summarize the entire settlement agreement. A complete copy of the settlement agreement is on file with the Court and can also be viewed at the class website at www.stanforduniversityfcrasettlement.com.

Class Counsel is experienced in class action litigation and has a duty to represent the interests of all Class Members. Based on analyzing the law concerning the claims, analyzing records, making factual investigations, considering risks involved in further litigation, ensuring that the Class receives payment without having to wait for years of protracted litigation with no certainty of success, and using a federal Magistrate Judge to assist in reaching a fair settlement of this lawsuit, Class Counsel believes the Settlement is fair, adequate and reasonable.

You are receiving Class Notice of this Settlement because the Court has reviewed the Settlement and has preliminarily determined the Settlement can go forward.

Stanford represents that, as required by law, it will not retaliate against any employee because of his or her participation in the Settlement.

To receive your settlement payment, you do not have to do anything. Your interest as a member of the Settlement Class will be represented by the Plaintiff and Counsel for the Class. You will be bound by any judgment arising from the settlement.

YOUR RIGHTS AND OPTIONS

You must decide whether to be included in the Settlement or excluded from the Settlement and you must decide this NOW.

If you do nothing and the Court orders final approval of the Settlement, you will receive a check with your share of the net settlement funds, and you will also give up your rights to pursue the claims that are released by the Settlement. If you do not cash your check within the time specified, you will still give up your rights to pursue the claims that are released by the Settlement. Any uncashed funds remaining after the first distribution will be redistributed to members of the two year class who cashed their first check. Any funds remaining after the second distribution will be distributed to the following charity: Law Foundation of Silicon Valley.

If you choose to be excluded from the settlement, you will not be bound by any judgment or other final disposition of the lawsuit. You will retain any claims against Stanford you may have.

To ask to be excluded, you must send a letter by U.S. mail, stating: (1) the case name and number; (2) the name, address, telephone number, and email address of the Settlement Class Member making the exclusion request; and (3) a clear statement that you want to be excluded from the settlement. You must mail your exclusion request so that it is postmarked by **August 23, 2018** to:

ILYM Group, Inc.
Stanford University FCRA Litigation
P.O. Box 2031
Tustin, CA 92781

If the request is not postmarked on or before August 23, 2018, your exclusion 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 case as specified in the release referenced above.

You may withdraw your exclusion prior to August 23, 2018 by writing to the Settlement Administrator and stating your intent to withdraw your request to be excluded.

Unless you exclude yourself, you give up any right to sue Stanford for the claims that this Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately because you must exclude yourself from *this* Settlement to continue your own lawsuit. **Remember, the exclusion deadline is August 23, 2018.**

If you exclude yourself, you are not eligible to receive any money from this settlement, but you may sue, continue to sue, or be part of a different lawsuit against Stanford. If you ask to be excluded, you will not be bound by the Settlement or have any right to object, appeal or comment thereon.

THE LAWYERS REPRESENTING YOU

The Court has approved the law firms of Peter R. Dion-Kindem, P.C. and The Blanchard Law Group, APC to represent you and other Class Members in this class action. These lawyers are called Class Counsel. You will not be separately charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

Class counsel will ask the Court to approve a payment of \$200,000 for attorney's fees and up to \$25,000 for litigation cost, which will be paid out of the \$600,000 settlement fund. These attorney's fees will pay Class Counsel for bringing the lawsuit on your behalf, investigating the facts, litigating the case, and negotiating the Settlement. Stanford has agreed not to oppose these attorney's fees or costs. The Court may award less than these amounts.

OBJECTING TO THE SETTLEMENT

You can also tell the Court that you don't agree with the Settlement or some part of it.

The Court will hold a Final Approval Hearing on October 5, 2018 at 9:00 a.m. in Department 5 of the Superior Court for the State of California, County of Santa Clara at 191 N. First Street, San Jose, CA 95113. As a Class Member, you may object to the Settlement or file a statement in support of the Settlement for consideration at the Final Approval Hearing.

Any Settlement Class Member who wishes to object to the settlement may also return to the Settlement Administrator a written statement of objection no later than **August 8, 2018**. The Notice of Objection must state (1) the case name and number; (2) the name, address, telephone number, and email address of the Settlement Class Member making the objection; (3) a statement of the objection(s) being asserted; (4) a detailed description of the facts and any legal authorities underlying each objection; (5) a notice of intent to appear at the final Fairness Hearing, if the Settlement Class Member making the objection intends to appear; (6) a list of any witnesses the Settlement Class Member making the objection may call to testify at the Fairness Hearing, whether in person, by deposition, or affidavit; and (7) a list of any exhibits, and copies of the same, which that Settlement Class Member may offer at the Fairness Hearing. In addition, you must personally sign the objection. You may also appear at the Final Approval Hearing and state your objection at that time, whether or not you provided written or advanced notice. If you do not object in one of these ways, your objection will be invalid, you will be unable to object to the terms and conditions of the Agreement, and you will be bound by the settlement, if approved.

Objecting is simply telling the Court that you don't like something about the settlement. You can object only if you stay in the Class. Excluding yourself tells the Court that you don't want to be part of the Class, don't want to receive a settlement payment and don't want to release your individual claims. If you exclude yourself, you have no basis to object because the case no longer affects you.

FINAL APPROVAL OF THE SETTLEMENT

The Court will hold a final hearing to decide whether to approve the settlement. You may attend and you may ask to speak, but you don't have to.

If the Court grants final approval of the Settlement, all Class Members (who do not exclude themselves) will bound by the terms of the Settlement, including the release set forth below.

The release language in the Settlement is as follows:

On the Settlement Effective Date, for the Settlement Class's benefit and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, all Settlement Class Members who have not timely and properly opted out of the settlement, and all those acting or purporting to act on their behalf including, but not limited to, their successors, assigns, legatees, heirs, and personal representatives, fully and forever release, waive, acquit, and discharge to the fullest extent permitted by law, Defendant and the Released Parties from any and all claims, causes of action, demands, rights, suits, obligations, debts, contracts, agreements, promises, liabilities, damages, charges, losses, costs, expenses and attorneys' fees, of any nature whatsoever, known or unknown, in law or equity, fixed or contingent, that the Settlement Class Member has or may have arising out of or relating to any of the acts, omissions, other conduct, or the facts alleged in the Lawsuit. This release includes a release of all penalties, tax, and interest associated with the foregoing.

GETTING MORE INFORMATION

You may contact Class Counsel at the addresses listed below without having to pay for any attorneys' fees. You also have the right to speak with an attorney of your choosing at your own expense. Do not contact the Court, Stanford or Stanford's Counsel.

The Dion-Kindem Law Firm
Attn: Peter R. Dion-Kindem
21550 Oxnard Street, Suite 900
Woodland Hills, California 91367
Telephone: (818) 883-4900
peter@dion-kindemlaw.com

and

The Blanchard Law Group, APC
Attn: Lonnie C. Blanchard, III
3311 East Pico Boulevard
Los Angeles, California 90023
Telephone: (213) 599-8255
lonnieblanchard@gmail.com