

**IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION**

MOHAMMAD HARAKE, on behalf of
himself and on behalf of all others
similarly situated,

Case No.: 8:19-cv-00243-CEH-CPT

Plaintiff,

v.

TRACE STAFFING SOLUTIONS, LLC,

Defendant.

**NOTICE OF PENDENCY OF CLASS ACTION,
PROPOSED SETTLEMENT AND HEARING**

TO:

Background Check Class: All natural persons in the United State who: (1) were the subject of a consumer report that was procured by Trace Staffing (or caused to be procured by Trace Staffing) from Employment Screening Service for an employment purpose; (2) to whom Trace Staffing presented the disclosure form attached to Plaintiff's First Amended Class Action Complaint before procuring that report; (3) within two years of the filing of this lawsuit through the date the Class list is prepared.

YOU MAY BE ENTITLED TO A RECOVERY

BASIC INFORMATION

1. Why was this notice issued?

A court authorized this notice ("Class Notice") because you have a right to know about a Proposed Settlement of this class action lawsuit and about your options before the Court decides whether to give "final approval" to the Proposed Settlement. This notice explains the lawsuit, the Proposed Settlement, your legal rights, what benefits will be provided, and who will receive them.

This case is currently pending in the United States District Court for the Middle District of Florida, Tampa Division.

2. What is this lawsuit about?

This litigation has been brought by Mohammad Harake (the "Class Representative"), on behalf of himself and all others similarly situated, against Defendant, Trace Staffing Solutions, LLC ("Defendant"), alleging violations of the Fair Credit Reporting Act, 15 U.S.C. § 1681, et seq. (the "FCRA"). In the Complaint, the Class Representative seeks certification of a nationwide class under the FCRA.

As alleged in the Complaint, the Class Representative was formerly employed by Defendant. During the employment application process, Defendant procured a consumer report on the Class Representative. The Class Representative alleges that, in connection therewith, Defendant violated § 1681b(b)(2)(A) of the FCRA by failing to: 1) disclose to the Class Representative and other of its employees, former employees, and/or prospective employees (in a document consisting solely of the disclosure) that it was going to obtain a consumer report for employment purposes prior to obtaining a copy of the actual report; and, 2) as a result, obtain the proper authorization under the FCRA to obtain those consumer reports (collectively, the "FCRA Claims"). More

particularly, the Class Representative alleges that the FCRA disclosure and authorization form(s) utilized by Defendant: 1) was/were not (a) stand-alone disclosure(s); 2) contained multiple state law notices regarding additional rights; 3) contained blanket authorizations to various entities to release information; 4) contained language allowing Defendant to share Plaintiff's consumer report; 5) contained language that Employment Screening Services or another outside organization could perform the background check; and 6) included federal and state disclosures together.

Defendant denies that the FCRA disclosure and authorization forms that it utilized/utilizes violated/violate the FCRA. Defendant has raised several meritorious defenses to the Class Representative's allegations that Defendant violated the FCRA.

3. Why is this a class action?

The parties have agreed and the Court has ordered that, for settlement purposes only, this lawsuit may be maintained as a class action under Federal Rule of Civil Procedure 23, subject to final approval at the conclusion of the settlement process. If the Proposed Settlement is not finally approved, or if any party withdraws from the Proposed Settlement, the lawsuit will return to the same status as before the Settlement Agreement was signed, and the Court will later determine if the case may proceed as a class action.

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

The Proposed Settlement includes approximately 8,700 natural persons in the United States of America who were employed by or applied for employment with Defendant and who were the subject of a consumer report that was procured by Defendant for employment purposes between January 8, 2017 and the date of the Preliminary Approval Order. Excluded from the Class are the persons who timely and validly request exclusion from the Class (*see* Question 10 below).

You are receiving this Notice because it is believed that you are a member of the Settlement Class.

5. Why is there a Proposed Settlement?

The parties arrived at the Proposed Settlement as a result of arms-length negotiations, including a face-to-face meeting between the lawyers for each side during a mediation session with a court authorized mediator. The Proposed Settlement is a compromise of disputed claims and does not mean that any law was violated or that Defendant did anything wrong.

THE PROPOSED SETTLEMENT BENEFITS

6. What benefits does the Proposed Settlement provide?

The Proposed Settlement provides for monetary benefits, as follows:

A. Monetary Benefits:

1. In consideration for the dismissal with prejudice of the FCRA Claims, and the releases set forth below, Defendant shall pay up to \$475,000.00 as a total gross settlement fund ("Settlement Fund") to the Class for statutory damages, attorney's fees and costs, pursuant to the FCRA and all applicable state law(s), and each identifiable Class Member will be provided a notice to file a claim ("Claim Form") to receive a Settlement Payment which will be calculated by dividing the Net Settlement Fund by the number of consumers in the Settlement Class (*see* Question 13 below). The Claim Form to be used by Class Members is attached to this Class Notice.
2. The Class Counsel's fees and litigation-related costs and expenses, the Class Representative's service award, and the settlement administration expenses will be paid from the gross Settlement Fund. (*see*

Question 12 below).

3. The payments to the Class Members under this Settlement Agreement shall be made within ten (10) business days from the date the Settlement becomes final. It is estimated that the payment to each Class Member will be an amount up to \$33.00.
4. The payments to the Class Members shall be in the form of a Settlement Check which will become void ninety (90) days from the date of issue. The date of issue of the Settlement Check shall be the same date as the date the Settlement Check is mailed to each Settlement Class Member. Once a Settlement Check issued to a Class Member pursuant to this section becomes void, Defendant shall have no further obligation to such Class Member.
5. If any Class Member does not negotiate his or her Settlement Check within ninety (90) days from the date of issuance, the funds shall be donated to Bay Area Legal Services, subject to Court approval.

More details of the proposed Settlement are in a document called the Settlement Agreement, which is available for your inspection at the Office of the Clerk, U.S. District Court for the Middle District of Florida, Tampa Division, 801 N. Florida Avenue, Tampa, Florida 33602, during normal business hours.

7. When will the Proposed Settlement go into effect?

The Court will hold a final approval hearing on July 30, 2020 to decide whether to approve the Proposed Settlement (*see* Question 15) including the request for attorney's fees and litigation-related costs and expenses (*see* Question 12). Even if the Court approves the Proposed Settlement, there could be appeals. The time for an appeal varies.

If no appeals are taken, the Effective Date is the date on which the Court approves the Proposed Settlement as final, subject to certain conditions. If an appeal is taken, the Effective Date is the date when all appeals are completed and the Proposed Settlement becomes final.

The Proposed Settlement will go into effect on the Effective Date.

8. What am I giving up as part of the Proposed Settlement?

If you do nothing, you will be part of the Class. That means you cannot sue Defendant and its related parties over the claims settled in this case. It also means that all of the Court's orders, including the release of claims and dismissal of the lawsuit with prejudice (*see* Question 9), will apply to you and legally bind you.

Your interests as a member of the Class will be represented by the Class Representative and Class Counsel. You will not be billed for their services. Class Counsel will receive a fee only if the Court approves the Proposed Settlement, and the attorney's fees and litigation expenses will be set by the Court and paid from the Settlement Fund (*see* Question 12 below).

9. How does the Proposed Settlement affect my rights?

If the Proposed Settlement is finally approved, the Court will enter a judgment dismissing all claims against Defendant with prejudice. Under the terms of the Proposed Settlement, you will release Defendant with respect to the claims that were raised or could have been raised in the case related to the FCRA Claims described above. This means you cannot seek equitable relief or any type of monetary relief against Defendant and its related parties based on any claim related to or arising out of the FCRA Claims. You will be giving up all such claims, whether or not you know about them.

The Court's order will apply to you even if you objected or have any other claim, lawsuit, or proceeding pending

against Defendant. If you have any questions about the release, you should consult with a lawyer.

EXCLUDING YOURSELF FROM THE PROPOSED SETTLEMENT

If you want to keep your right to sue Defendant with respect to the FCRA Claims, you must take steps to remove yourself from the Proposed Settlement. This is called asking to be excluded from – or “opting out” of – the Class.

10. How do I remove myself from the Proposed Settlement?

If you choose to exclude yourself from the Class, you will not be bound by any order, judgment or settlement of the lawsuit. If you exclude yourself from the Class, you will not receive any benefits from this class action. You will retain and be free to pursue any claim against Defendant that you may have.

To exclude yourself from the Proposed Settlement, you must mail a letter saying that you want to be excluded from the Class in *Harake v. Trace Staffing Solutions, LLC*. You must include your full name, current mailing address, and telephone number, and the letter must be signed by you personally. Your letter requesting exclusion must be mailed or otherwise delivered to the following address such that it is **received by June 22, 2020**:

Harake Class Action
c/o Settlement Administrator
PO Box 23309
Jacksonville, FL 32241

You cannot exclude yourself on the phone or by email.

THE LAWYERS REPRESENTING YOU

11. Do I have a lawyer in this case?

Yes. The Court has appointed Brandon J. Hill, Luis A. Cabassa and Matthew K. Fenton, of the law firm Wenzel Fenton Cabassa, P.A. to represent you and the other Class Members in this case. They are called Class Counsel.

You will not be charged for their representation. Class Counsel’s compensation will be paid from the Settlement Fund. If you want to be represented by another lawyer, you may hire one at your own expense.

12. How will the lawyers be paid? What will the Class Representative receive?

Class Counsel will ask the Court to approve attorney’s fees and expenses to be paid from the Settlement Fund. As attorney’s fees, Class Counsel will ask the Court to award the sum of \$158,331.25 to be paid from the Settlement Fund which represents approximately one-third (33.3%) of the value of the total gross Settlement Fund. Class Counsel will also ask the Court to approve payment of litigation-related costs and expenses (including but not limited to the cost of filing, service, and mediation); to approve payment to Settlement Administrator in amount not to exceed \$25,000.00 for Settlement Notice and Settlement Administration; and a service award of \$2,500.00 to be paid from the Settlement Fund to the Class Representative for the time and resources that he has spent helping the lawyer on behalf of the whole Class. The Court may award less than the requested amount to both Class Counsel and the Class Representative.

No Class Member will owe or pay anything for attorney’s fees and expenses or the service award. Any award of attorney’s fees and expenses or the service award will be paid from the Settlement Fund.

The Court must approve the attorney’s fees and expenses for Class Counsel and the service award for the Class Representative. The Court will conduct a hearing on attorney’s fees and litigation expenses for Class Counsel and the service award to the Class Representative at the same time of the final approval hearing.

GETTING MONEY FROM THE PROPOSED SETTLEMENT

13. How do I obtain money from the Proposed Settlement?

If you timely return the attached Claim Form noting that you choose to receive a cash recovery, and the Court grants final approval of the Class Settlement, you will be sent a Settlement Payment in the form of a check. “Settlement Payment” means the individualized *pro rata* share of the Net Settlement Fund that will be made in the first distribution from the Settlement Fund to the Settlement Class Members who timely submit a proper Claim Form after the payment of the Class Representative Service, Class Counsel Attorney’s Fees and Costs, and Class Settlement Administration Costs. The Settlement Payment will be calculated by dividing the Net Settlement Fund by the number of consumers in the Settlement Class. It is estimated that the payment to each Class Member will be an amount up to \$33.00.

THE CLAIM FORM MUST BE RECEIVED BY THE CLASS SETTLEMENT ADMINISTRATOR NO LATER THAN JULY 20, 2020.

OBJECTING TO THE PROPOSED SETTLEMENT

14. How do I tell the Court I don’t agree with the Proposed Settlement?

You may object to any part of the Proposed Settlement. To do so, you must file a written objection in the case *Harake v. Trace Staffing Solutions, LLC*, Case No.: 8:19-cv-00243-CEH-CPT. Any objection must set forth your full name, current mailing address and telephone number and must include: (a) a written statement explaining the reasons for your objection; (b) copies of any papers, briefs, or other documents you want to bring to the Court’s attention; (c) any evidence you wish to introduce in support of your objection; and (d) a statement of whether you or your lawyer will ask to appear at the final approval hearing to talk about your objections.

Your objection must be mailed or otherwise delivered to each of the following addresses so that it is **received by July 16, 2020**:

Court	Settlement Administrator
Clerk of the Court United States District Court for the Middle District of Florida, Tampa Division 801 N. Florida Avenue Tampa, Florida 33602	Harake Class Action c/o Settlement Administrator PO Box 23309 Jacksonville, FL 32241
Class Counsel	Defendant’s Counsel
Brandon J. Hill, Esq. WENZEL FENTON CABASSA, P.A. 1110 N. Florida Avenue, Suite 300 Tampa, Florida 33602	Jose I. Leon, Esq. Gordon & Rees Scully Mansukhani 100 SE Second Street, Suite 3900 Miami, Florida 33131

If you or your lawyer ask to appear at the final approval hearing, in addition to providing the above information, you must include in your objection letter: (a) the points you wish to speak about at the hearing; (b) copies of documents you intend to rely upon at the hearing; (c) the amount of time you request for speaking at the hearing; and (d) whether you intend to have a lawyer speak on your behalf.

If you intend to have a lawyer present, your lawyer must file a written notice of appearance of counsel with the Clerk of the Court no later than June 20, 2020.

15. What is the difference between objecting and asking to be excluded?

Objecting is simply telling the Court that you do not like something about the Proposed Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself from the Class, you have no basis to object because the case no longer affects you.

THE COURT'S FINAL APPROVAL HEARING

16. When and where will the Court decide whether to approve the Proposed Settlement?

The Court will hold a final approval hearing to decide whether the Proposed Settlement is fair, reasonable, and adequate and should be granted final approval. The Court will also consider whether to award attorney's fees and other expenses to Class Counsel, whether to provide a service award to the Class Representative, and whether to enter a final judgment and dismiss the lawsuit. If there are objections, the Court will consider them. You may attend and you may ask to speak.

The final approval hearing will be at 11:00 a.m. on July 30, 2020 before Judge Charlene Edwards Honeywell, United States District Court for the Middle District of Florida, Tampa Division, 801 N. Florida Avenue, Tampa, Florida 33602, Courtroom 13A.

The Proposed Settlement may be approved with modifications, and without further notice, if consented to by the Class Representative and Defendant and their respective attorneys in accordance with the terms of the Settlement Agreement.

17. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have. If you send a written objection, you do not have to come to the final approval hearing to talk about it. As long as you mailed your written objection on time and according to the Court's rules, the Court will consider it. You may also pay your own lawyer to attend the final approval hearing, but it is not necessary.

IF YOU DO NOTHING

18. What happens if I do nothing?

You have the right to do nothing. If you do nothing, you will remain part of the Class and you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendant about the claims in this case, ever again.

GETTING MORE INFORMATION

19. How do I get more information?

If you have any questions concerning the matters dealt with in this notice, please visit the settlement website at www.harakefcrasettlement.com. You may also contact Class Counsel or the Settlement Administrator at:

Brandon J. Hill, Esq.
WENZEL FENTON CABASSA, P.A.
1110 N. Florida Avenue, Suite 300
Tampa, Florida 33602
Telephone: 813-224-0431

Harake Class Action
c/o Settlement Administrator
P.O. Box 23309
Jacksonville, FL 32241
1-800-564-5880

The pleadings and other records in this litigation are available and may be examined and copied during regular office hours at the United States District Court, Middle District of Florida, Tampa Division, 801 N. Florida Avenue, Tampa, Florida 33602. **PLEASE DO NOT TELEPHONE THE CLERK'S OFFICE OR THE JUDGE'S CHAMBERS CONCERNING THIS NOTICE OR THIS CASE.**