

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT TACOMA

IN RE BARRETT BUSINESS
SERVICES SECURITIES LITIGATION

Case No. 14-cv-5884-BHS

CLASS ACTION

This Document Relates To:

ALL ACTIONS.

**NOTICE OF (I) PENDENCY OF CLASS ACTION, CERTIFICATION OF
SETTLEMENT CLASS, AND PROPOSED SETTLEMENT; (II) SETTLEMENT
FAIRNESS HEARING; AND (III) MOTION FOR AN AWARD OF
ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES**

A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

NOTICE OF PENDENCY OF CLASS ACTION: Please be advised that your rights may be affected by the above-captioned securities class action (the “Action”) pending in the United States District Court for the Western District of Washington (the “Court”), if, during the period between February 12, 2013, and March 9, 2016, inclusive (the “Settlement Class Period”), you purchased or otherwise acquired Barrett common stock, and were damaged thereby.¹

NOTICE OF SETTLEMENT: Please also be advised that the Court-appointed Lead Plaintiff Painters & Allied Trades District Council No. 35 Pension and Annuity Funds (“Lead Plaintiff” or “Painters Funds”), and named plaintiff Bakers Local No. 433 Pension Fund (together with Lead Plaintiff, “Plaintiffs”), on behalf of themselves and the Settlement Class (as defined in ¶24 below), have reached a proposed settlement of the Action for \$12 million in cash that, if approved, will resolve all claims in the Action (the “Settlement”).

PLEASE READ THIS NOTICE CAREFULLY. This Notice explains important rights you may have, including the possible receipt of cash from the Settlement. If you are a member of the Settlement Class, your legal rights will be affected whether or not you act.

If you have any questions about this Notice, the proposed Settlement, or your eligibility to participate in the Settlement, please DO NOT contact Barrett, any other Defendants in the Action, or their counsel. All questions should be directed to Lead Counsel or the Claims Administrator (see ¶82 below).

¹ All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings ascribed to them in the Stipulation and Agreement of Settlement (the “Stipulation”), which is available at www.BarrettSecuritiesSettlement.com.

1. **Description of the Action and the Settlement Class:** This Notice relates to a proposed Settlement of claims in a pending securities class action brought by investors alleging, among other things, that defendant Barrett Business Services, Inc. (“Barrett”), and defendants Michael L. Elich (“Elich”) and James D. Miller (“Miller”) (collectively, the “Defendants”)² violated the federal securities laws by making false and misleading statements regarding Barrett. A more detailed description of the Action is set forth in ¶¶11-23 below. The proposed Settlement, if approved by the Court, will settle claims of the Settlement Class, as defined in ¶24 below.

2. **Statement of the Settlement Class’s Recovery:** Subject to Court approval, Plaintiffs, on behalf of themselves and the Settlement Class, have agreed to settle the Action in exchange for a settlement payment of \$12 million in cash (the “Settlement Amount”) to be deposited into an escrow account. The Net Settlement Fund (*i.e.*, the Settlement Amount plus any and all interest earned thereon (the “Settlement Fund”) less (a) any Taxes, (b) any Notice and Administration Costs, (c) any Litigation Expenses awarded by the Court, and (d) any attorneys’ fees awarded by the Court) will be distributed in accordance with a plan of allocation that is approved by the Court, which will determine how the Net Settlement Fund shall be allocated among members of the Settlement Class. The proposed plan of allocation (the “Plan of Allocation”) is set forth in ¶¶50-66 below.

3. **Estimate of Average Amount of Recovery Per Share:** Based on Plaintiffs’ damages expert’s estimates of the number of Barrett common stock purchased during the Settlement Class Period that may have been affected by the conduct at issue in the Action and assuming that all Settlement Class Members elect to participate in the Settlement, the estimated average recovery (before the deduction of any Court-approved fees, expenses and costs as described herein) per damaged common stock share is \$1.27. Settlement Class Members should note, however, that the foregoing average recovery per share is only an estimate. Some Settlement Class Members may recover more or less than this estimated amount depending on, among other factors, when and at what prices they purchased/acquired or sold their Barrett common stock, and the total number of valid Claim Forms submitted. Distributions to Settlement Class Members will be made based on the Plan of Allocation set forth herein (*see* ¶¶50-66 below) or such other plan of allocation as may be ordered by the Court.

4. **Average Amount of Damages Per Share:** The Parties do not agree on the average amount of damages per share that would be recoverable if Plaintiffs were to prevail in the Action. Among other things, Defendants do not agree with the assertion that they violated the federal securities laws or that any damages were suffered by any members of the Settlement Class as a result of Defendants’ conduct.

5. **Attorneys’ Fees and Expenses Sought:** Plaintiffs’ Counsel, which have been prosecuting the Action on a wholly contingent basis have not received any payment of attorneys’ fees for their representation of the Settlement Class and have advanced the funds to pay expenses necessarily incurred to prosecute this Action. Court-appointed Lead Counsel, Bernstein Litowitz Berger & Grossmann LLP, will apply to the Court for an award of attorneys’ fees for all Plaintiffs’ Counsel in an amount not to exceed 22% of the Settlement Fund. In addition, Lead Counsel will apply for reimbursement of Litigation Expenses paid or incurred by Plaintiffs’ Counsel in connection with the institution, prosecution and resolution of the claims against the Defendants, in an amount not to exceed \$400,000, which may include an application for reimbursement of the reasonable costs and expenses incurred by Plaintiffs directly related to their representation of the Settlement Class. Any fees and expenses awarded by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses. The estimate of the average cost per damaged share of Barrett common stock, if the Court approves Lead Counsel’s fee and expense application, is \$0.33 per damaged share.

6. **Identification of Attorneys’ Representatives:** Plaintiffs and the Settlement Class are represented by Timothy A. DeLange, Esq. of Bernstein Litowitz Berger & Grossmann LLP, 12481 High Bluff Drive, Suite 300, San Diego, CA 92130, (866) 648-2524, blbg@blbglaw.com.

² Defendants Elich and Miller are referred to herein as the “Individual Defendants.”

7. **Reasons for the Settlement:** Plaintiffs' principal reason for entering into the Settlement is the substantial immediate cash benefit for the Settlement Class without the risk or the delays inherent in further litigation. Moreover, the substantial cash benefit provided under the Settlement must be considered against the significant risk that a smaller recovery – or indeed no recovery at all – might be achieved after contested motions, a trial of the Action and the likely appeals that would follow a trial. This process could be expected to last several years. Defendants, who deny all allegations of wrongdoing or liability whatsoever, are entering into the Settlement solely to eliminate the uncertainty, burden and expense of further protracted litigation.

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT:	
SUBMIT A CLAIM FORM POSTMARKED NO LATER THAN MARCH 21, 2017.	This is the only way to be potentially eligible to receive a payment from the Settlement Fund. If you are a Settlement Class Member and you remain in the Settlement Class, you will be bound by the Settlement as approved by the Court and you will give up any Released Plaintiffs' Claims (defined in ¶33 below) that you have against Defendants and the other Defendants' Releasees (defined in ¶34 below), so it is in your interest to submit a Claim Form.
EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION SO THAT IT IS RECEIVED NO LATER THAN FEBRUARY 1, 2017.	If you exclude yourself from the Settlement Class, you will not be eligible to receive any payment from the Settlement Fund. This is the only option that allows you ever to be part of any other lawsuit against any of the Defendants or the other Defendants' Releasees concerning the Released Plaintiffs' Claims.
OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS RECEIVED NO LATER THAN FEBRUARY 1, 2017.	If you do not like the proposed Settlement, the proposed Plan of Allocation, or the request for attorneys' fees and reimbursement of Litigation Expenses, you may write to the Court and explain why you do not like them. You cannot object to the Settlement, the Plan of Allocation or the fee and expense request unless you are a Settlement Class Member and do not exclude yourself from the Settlement Class.
GO TO A HEARING ON FEBRUARY 22, 2017, AT 1:30 P.M., AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS RECEIVED NO LATER THAN FEBRUARY 1, 2017.	Filing a written objection and notice of intention to appear by February 1, 2017, allows you to speak in Court, at the discretion of the Court, about the fairness of the proposed Settlement, the Plan of Allocation, and/or the request for attorneys' fees and reimbursement of Litigation Expenses. If you submit a written objection, you may (but you do not have to) attend the hearing and, at the discretion of the Court, speak to the Court about your objection.
DO NOTHING.	If you are a member of the Settlement Class and you do not submit a valid Claim Form, you will not be eligible to receive any payment from the Settlement Fund. You will, however, remain a member of the Settlement Class, which means that you give up your right to sue about the claims that are resolved by the Settlement and you will be bound by any judgments or orders entered by the Court in the Action.

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WHY DID I GET THIS NOTICE?

8. The Court directed that this Notice be mailed to you because you or someone in your family or an investment account for which you serve as a custodian may have purchased or otherwise acquired Barrett common stock during the Settlement Class Period. The Court has directed us to send you this Notice because, as a potential Settlement Class Member, you have a right to know about your options before the Court rules on the proposed Settlement. Additionally, you have the right to understand how this class action lawsuit may generally affect your legal rights. If the Court approves the Settlement, and the Plan of Allocation (or some other plan of allocation), the claims administrator selected by Plaintiffs and Lead Counsel, and approved by the Court, will make payments pursuant to the Settlement after any objections and appeals are resolved.

9. The purpose of this Notice is to inform you of the existence of this case, that it is a class action, how you might be affected, and how to exclude yourself from the Settlement Class if you wish to do so. It is also being sent to inform you of the terms of the proposed Settlement, and of a hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement, the proposed Plan of Allocation and the motion by Lead Counsel for an award of attorneys' fees and reimbursement of Litigation Expenses (the "Settlement Hearing"). See paragraph 73 below for details about the Settlement Hearing, including the date and location of the hearing.

10. The issuance of this Notice is not an expression of any opinion by the Court concerning the merits of any claim in the Action, and the Court still has to decide whether to approve the Settlement. If the Court approves the Settlement and a plan of allocation, then payments to Authorized Claimants will be made after any appeals are resolved and after the completion of all claims processing. Please be patient, as this process can take some time to complete.

WHAT IS THIS CASE ABOUT?

11. Beginning on November 6, 2014, three class action complaints were filed in the United States District Court for the Western District of Washington, styled *Arciaga v. Barrett Business Services, Inc.*, Case No. C14-5884 BHS; *Carnes v. Barrett Business Services, Inc.*, Case No. C14-5903 BHS; and *Stein v. Barrett Business Services, Inc.*, Case No. C14-5912 BHS.

12. By Order dated February 25, 2015, the Court ordered that the cases be consolidated and recaptioned as *In re Barrett Business Services Securities Litigation*, Cause No. C14-5884BHS; appointed the Painters Funds as Lead Plaintiff for the consolidated action; and approved Lead Plaintiff's selection of Bernstein Litowitz Berger & Grossmann LLP as Lead Counsel for the class.

13. On April 29, 2015, Plaintiffs filed the Consolidated Amended Complaint ("Consolidated Complaint") asserting claims against all Defendants under Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 10b-5 promulgated thereunder, and against the Individual Defendants under Section 20(a) of the Exchange Act, on behalf of a class of persons who purchased or acquired Barrett common stock between February 12, 2013, and October 28, 2014, inclusive. Among other things, the Consolidated Complaint alleged that Defendants made materially false and misleading statements about Barrett's workers' compensation reserve. The Consolidated Complaint further alleged that the price of Barrett common stock was artificially inflated as a result of Defendants' allegedly false and misleading statements, and declined when the truth was revealed.

14. On June 12, 2015, Defendants filed a motion to dismiss the Consolidated Complaint and a motion for judicial notice. On July 29, 2015, Plaintiffs filed their papers in opposition and, on August 21, 2015, Defendants filed their reply papers.

15. On November 23, 2015, the Court granted Plaintiffs' unopposed motion for leave to file an amended complaint in light of new information disclosed in the Company's Form 8-K filed with the SEC on November 9, 2015. On November 23, 2015, Plaintiffs filed the First Amended Consolidated Class Action Complaint ("First Amended

Complaint”). The First Amended Complaint, like the Consolidated Complaint, asserted claims against all Defendants under Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder, and against the Individual Defendants under Section 20(a) of the Exchange Act. The Complaint alleged claims substantially similar to those alleged in the Consolidated Complaint but also included allegations based on new information revealed after the filing of the Consolidated Complaint.

16. On February 16, 2016, Defendants filed motions to dismiss the First Amended Complaint and a motion for judicial notice.

17. On March 21, 2016, the Court granted Plaintiffs’ unopposed motion for leave to file an amended complaint in light of new information alleged, including that Barrett would have to restate three years of financial statements, that its Chief Financial Officer had made a series of unsupported journal entries in 2013 that affected Barrett’s reported workers’ compensation expense, and that it had terminated its Chief Financial Officer. The same day, March 21, 2016, Plaintiffs filed the Second Amended Consolidated Class Action Complaint (the “Second Amended Complaint” or “Complaint”), alleging Section 10(b) claims against all Defendants and Section 20(a) claims against the Individual Defendants, on behalf of a class of persons who purchased or otherwise acquired Barrett common stock between February 12, 2013, and March 9, 2016, inclusive.

18. On May 23, 2016, Defendants filed motions to dismiss the Complaint and a motion for judicial notice. Plaintiffs filed their opposition on June 27, 2016, and Defendants filed their reply briefs on July 25, 2016. The motions to dismiss were fully briefed when the Settlement was reached.

19. On January 5, 2016, and June 30, 2016, the Parties participated in in-person all-day mediation sessions before an experienced and nationally-recognized mediator, Jed D. Melnick, Esq. of JAMS ADR. As a professional mediator, Mediator Melnick has been involved in the mediation and successful resolution of thousands of complex litigation disputes. He has directly mediated over one thousand disputes, published articles on mediation, founded a nationally ranked dispute resolution journal and taught other mediators. He is a managing partner for Weinstein Melnick LLC, and partners with the Honorable Daniel Weinstein (Ret.) on some of the largest complex commercial disputes, both in the United States and abroad. For additional information regarding Mediator Melnick’s qualifications and experience, please see his curriculum vitae posted on the Settlement website at www.BarrettSecuritiesSettlement.com.

20. In advance of each session, the Parties exchanged and submitted to Mediator Melnick detailed mediation statements and exhibits, which addressed the issues of liability and damages. Both sessions ended without any agreement being reached. Over the course of the next few months following the second mediation, Mediator Melnick conducted further discussions with the Parties in attempts to reach a resolution. Mediator Melnick ultimately made a Mediator’s Recommendation to settle the case for \$12 million in cash, which the Parties separately accepted on September 2, 2016, subject to certain terms and conditions and the execution of a customary “long form” stipulation and agreement of settlement and related papers.

21. Based upon their investigation, prosecution and mediation of the case, Plaintiffs and Lead Counsel have concluded that the terms and conditions of the Stipulation are fair, reasonable and adequate to Plaintiffs and the other members of the Settlement Class, and in their best interests. Based on Plaintiffs’ oversight of the prosecution of this matter and with the advice of their counsel, Plaintiffs have agreed to settle and release the claims raised in the Action pursuant to the terms and provisions of the Stipulation, after considering, among other things: (a) the substantial financial benefit that Plaintiffs and the other members of the Settlement Class will receive under the proposed Settlement; and (b) the significant risks and costs of continued litigation and trial.

22. Defendants are entering into the Stipulation solely to eliminate the uncertainty, burden and expense of further protracted litigation. Each of the Defendants denies any wrongdoing, and the Stipulation shall in no event be construed or deemed to be evidence of or an admission or concession on the part of any of the Defendants, or any other of the Defendants’ Releasees (defined in ¶34 below), with respect to any claim or allegation of any fault or liability or wrongdoing or damage whatsoever, or any infirmity in the defenses that the Defendants have, or could have, asserted. Similarly, the Stipulation shall in no event be construed or deemed to be evidence of or an admission or concession on the

part of Plaintiffs or of any infirmity in any of the claims asserted in the Action, or an admission or concession that any of the Defendants' defenses to liability had any merit. Each of the Parties recognizes and acknowledges, however, that the Action has been initiated, filed and prosecuted by Plaintiffs in good faith and defended by Defendants in good faith, that the Action is being voluntarily settled with the advice of counsel, and that the terms of the Settlement are fair, adequate and reasonable.

23. On or about November 4, 2016, the Court preliminarily certified the Action as a class action for settlement purposes only; preliminarily approved the Settlement, authorized this Notice to be disseminated to potential Settlement Class Members, and scheduled the Settlement Hearing to consider whether to grant final approval to the Settlement.

**HOW DO I KNOW IF I AM AFFECTED BY THE SETTLEMENT?
WHO IS INCLUDED IN THE SETTLEMENT CLASS?**

24. If you are a member of the Settlement Class, you are subject to the Settlement, unless you timely request to be excluded. The Settlement Class consists of:

all persons and entities who purchased or otherwise acquired Barrett common stock between February 12, 2013, and March 9, 2016, inclusive (the "Settlement Class Period"), and were damaged thereby.

Excluded from the Settlement Class are Defendants; members of the Immediate Family of each of the Individual Defendants; the Officers and/or directors of Barrett during the Settlement Class Period; any person, firm, trust, corporation, Officer, director or other individual or entity in which any Defendant has or had a controlling interest during the Settlement Class Period or which is or was related to or affiliated with any of the Defendants during the Settlement Class Period; and the legal representatives, agents, affiliates, heirs, successors-in-interest or assigns of any such excluded party. Also excluded from the Settlement Class are any persons or entities who or which exclude themselves by submitting a request for exclusion in accordance with the requirements set forth in this Notice. See "What If I Do Not Want To Be A Member Of The Settlement Class? How Do I Exclude Myself," on page 15 below.

PLEASE NOTE: RECEIPT OF THIS NOTICE DOES NOT MEAN THAT YOU ARE A SETTLEMENT CLASS MEMBER OR THAT YOU WILL BE ENTITLED TO RECEIVE PROCEEDS FROM THE SETTLEMENT. IF YOU ARE A SETTLEMENT CLASS MEMBER AND YOU WISH TO BE POTENTIALLY ELIGIBLE TO PARTICIPATE IN THE DISTRIBUTION OF PROCEEDS FROM THE SETTLEMENT, YOU ARE REQUIRED TO SUBMIT THE CLAIM FORM THAT IS BEING DISTRIBUTED WITH THIS NOTICE AND THE REQUIRED SUPPORTING DOCUMENTATION AS SET FORTH THEREIN POSTMARKED NO LATER THAN MARCH 21, 2017.

WHAT ARE PLAINTIFFS' REASONS FOR THE SETTLEMENT?

25. Plaintiffs and Lead Counsel believe that the claims asserted against Defendants have merit. They recognize, however, the expense and length of continued proceedings necessary to pursue their claims against the remaining Defendants through trial and appeals, as well as the very substantial risks they would face in establishing liability and damages. Plaintiffs would have to prevail at several stages – the motion to dismiss that was pending at the time of settlement, motions for summary judgment, trial, and if they prevailed on those, on the appeals that were likely to follow. Thus, there were very significant risks attendant to the continued prosecution of the Action.

26. In light of these risks, the amount of the Settlement and the immediacy of recovery to the Settlement Class, Plaintiffs and Lead Counsel believe that the proposed Settlement is fair, reasonable and adequate, and in the best interests of the Settlement Class. Plaintiffs and Lead Counsel believe that the Settlement provides a substantial benefit to the Settlement Class, namely \$12 million in cash (less the various deductions described in this Notice), as compared to the risk that the claims in the Action would produce a smaller, or no recovery after the motion to dismiss, summary judgment, trial and appeals, possibly years in the future.

QUESTIONS? CALL TOLL-FREE (866) 224-5076 OR VISIT WWW.BARRETTSECURITIESSETTLEMENT.COM

27. Defendants have denied the claims asserted against them in the Action and deny having engaged in any wrongdoing or violation of law of any kind whatsoever. Defendants have agreed to the Settlement solely to eliminate the burden and expense of continued litigation. Accordingly, the Settlement may not be construed as an admission of any wrongdoing by Defendants.

WHAT MIGHT HAPPEN IF THERE WERE NO SETTLEMENT?

28. If there were no Settlement and Plaintiffs failed to establish any essential legal or factual element of their claims against Defendants, neither Plaintiffs nor the other members of the Settlement Class would recover anything from Defendants. Also, if Defendants were successful in establishing any of their defenses, either at the motion to dismiss, summary judgment, at trial or on appeal, the Settlement Class could recover substantially less than the amount provided in the Settlement, or nothing at all.

HOW ARE SETTLEMENT CLASS MEMBERS AFFECTED BY THE ACTION AND THE SETTLEMENT?

29. As a Settlement Class Member, you are represented by Plaintiffs and Lead Counsel, unless you enter an appearance through counsel of your own choice at your own expense. You are not required to retain your own counsel, but if you choose to do so, such counsel must file a notice of appearance on your behalf and must serve copies of his or her appearance on the attorneys listed in the section entitled, “When And Where Will The Court Decide Whether To Approve The Settlement?,” below.

30. If you are a Settlement Class Member and do not wish to remain a Settlement Class Member, you may exclude yourself from the Settlement Class by following the instructions in the section entitled, “What If I Do Not Want To Be A Member Of The Settlement Class? How Do I Exclude Myself?,” below.

31. If you are a Settlement Class Member and you wish to object to the Settlement, the Plan of Allocation, or Lead Counsel’s application for attorneys’ fees and reimbursement of Litigation Expenses, and if you do not exclude yourself from the Settlement Class, you may present your objections by following the instructions in the section entitled, “When And Where Will The Court Decide Whether To Approve The Settlement?,” below.

32. If you are a Settlement Class Member and you do not exclude yourself from the Settlement Class, you will be bound by any orders issued by the Court. If the Settlement is approved, the Court will enter a judgment (the “Judgment”). The Judgment will dismiss with prejudice the claims against Defendants and will provide that, upon the Effective Date of the Settlement, Plaintiffs and each of the other Settlement Class Members, on behalf of themselves, and their respective heirs, executors, administrators, predecessors, successors, and assigns in their capacities as such, will have fully, finally and forever compromised, settled, released, resolved, relinquished, waived and discharged each and every Released Plaintiffs’ Claim (as defined in ¶33 below) against each of the Defendants and all of the Defendants’ Releasees (as defined in ¶34 below), and shall forever be barred and enjoined from prosecuting any or all of the Released Plaintiffs’ Claims against any of the Defendants or Defendants’ Releasees.

33. “Released Plaintiffs’ Claims” means all Causes of Action that Plaintiffs or any other member of the Settlement Class: (i) asserted in the Complaint or in any petition or complaint filed in any action consolidated into the Action as of the Effective Date; or (ii) could have asserted in any forum against any of the Defendants or other Defendants’ Releasees that arise out of or are based upon the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in the Complaint and that relate to the purchase of Barrett common stock during the Settlement Class Period. Released Plaintiffs’ Claims do not include (i) any claims relating to the enforcement of the Settlement; (ii) any Excluded Claims; and (iii) any claims of any person or entity who or which submits a request for exclusion that is accepted by the Court. “Causes of Action” means all claims and causes of action of every nature and description, including all proceedings, judgments, suits, damages, demands (whether written or oral), agreements, promises, liabilities, controversies, costs, expenses, attorneys’ fees and losses of any sort whatsoever, whether

in law or in equity, and whether based on any federal, state or foreign statutory or common-law right of action or otherwise, foreseen or unforeseen, matured or unmatured, known or Unknown Claims, accrued or not accrued, including without limitation claims for violations of the Securities Exchange Act (including but not limited to Sections 10(b), violations of Securities and Exchange Commission rules (including but not limited to Rule 10b-5), and negligence. “Excluded Claims” means (i) any ERISA or derivative claims, including claims asserted in *Salinas v. Barrett Business Services, Inc.*, Case No. 24C15003178 (Md. Cir. Ct.), and (ii) any claims of any person or entity who or which submits a request for exclusion that is accepted by the Court.

34. “Defendants’ Releasees” means (i) each of the Defendants, (ii) each Defendant’s current and former officers, directors, agents, parents, affiliates, subsidiaries, successors, predecessors, assigns, assignees, employees, and attorneys, in their capacities as such, (iii) each Individual Defendant’s Immediate Family members, estates, heirs, executors, beneficiaries, trusts and trustees, in their capacities as such, and (iv) any insurance carriers of any or all of the foregoing, in their capacities as such.

35. “Unknown Claims” means any Released Plaintiffs’ Claims which any Plaintiff or any other Settlement Class Member does not know or suspect to exist in his, her or its favor at the time of the release of such claims, and any Released Defendants’ Claims which any Defendant or any other Defendants’ Releasee does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, which, if known by him, her or it, might have affected his, her or its decision(s) with respect to this Settlement. With respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date of the Settlement, Plaintiffs and Defendants shall expressly waive, and each of the other Settlement Class Members and each of the other Defendants’ Releasees shall be deemed to have waived, and by operation of the Judgment or the Alternate Judgment, if applicable, shall have expressly waived, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Plaintiffs and Defendants acknowledge, and each of the other Settlement Class Members and each of the other Defendants’ Releasees shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and is a key element of the Settlement.

36. The Judgment will also provide that, upon the Effective Date of the Settlement, Defendants, on behalf of themselves, and their respective heirs, executors, administrators, predecessors, successors, and assigns in their capacities as such, shall be deemed to have, and by operation of law and of the judgment shall have, fully, finally and forever compromised, settled, released, resolved, relinquished, waived and discharged each and every Released Defendants’ Claim (as defined in ¶37 below) against Plaintiffs and the other Plaintiffs’ Releasees (as defined in ¶38 below), and shall forever be barred and enjoined from prosecuting any or all of the Released Defendants’ Claims against any of the Plaintiffs’ Releasees.

37. “Released Defendants’ Claims” means all Causes of Action of every nature and description, whether known claims or Unknown Claims, whether arising under federal, state, common or foreign law, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims against the Defendants. Released Defendants’ Claims do not include any claims relating to the enforcement of the Settlement or any claims against any person or entity who or which submits a request for exclusion from the Settlement Class that is accepted by the Court.

38. “Plaintiffs’ Releasees” means Plaintiffs, their respective attorneys, and all other Settlement Class Members, and their respective current and former officers, directors, agents, parents, affiliates, subsidiaries, successors, predecessors, assigns, assignees, employees, and attorneys, in their capacities as such.

HOW DO I PARTICIPATE IN THE SETTLEMENT? WHAT DO I NEED TO DO?

39. To be eligible for a payment from the proceeds of the Settlement, you must be a member of the Settlement Class and you must timely complete and return the Claim Form with adequate supporting documentation **postmarked no later than March 21, 2017**. A Claim Form is included with this Notice, or you may obtain one from the website maintained by the Claims Administrator for the Settlement, www.BarrettSecuritiesSettlement.com, or you may request that a Claim Form be mailed to you by calling the Claims Administrator toll free at 1-866-224-5076. Please retain all records of your ownership of and transactions in Barrett common stock, as they may be needed to document your Claim. If you request exclusion from the Settlement Class or do not submit a timely and valid Claim Form, you will not be eligible to share in the Net Settlement Fund.

HOW MUCH WILL MY PAYMENT BE?

40. At this time, it is not possible to make any determination as to how much any individual Settlement Class Member may receive from the Settlement.

41. Pursuant to the Settlement, Barrett shall pay or cause to be paid twelve million dollars (\$12,000,000) in cash. The Settlement Amount will be deposited into an escrow account. The Settlement Amount plus any interest earned thereon is referred to as the “Settlement Fund.” If the Settlement is approved by the Court and the Effective Date occurs, the “Net Settlement Fund” (that is, the Settlement Fund less (a) all federal, state and/or local taxes on any income earned by the Settlement Fund and the reasonable costs incurred in connection with determining the amount of and paying taxes owed by the Settlement Fund (including reasonable expenses of tax attorneys and accountants); (b) the costs and expenses incurred in connection with providing notice to Settlement Class Members and administering the Settlement on behalf of Settlement Class Members; and (c) any attorneys’ fees and Litigation Expenses awarded by the Court) will be distributed to Settlement Class Members who submit valid Claim Forms, in accordance with the proposed Plan of Allocation or such other plan of allocation as the Court may approve.

42. The Net Settlement Fund will not be distributed unless and until the Court has approved the Settlement and a plan of allocation, and the time for any petition for rehearing, appeal or review, whether by certiorari or otherwise, has expired.

43. Neither Defendants nor any other person or entity that paid any portion of the Settlement Amount on their behalf are entitled to get back any portion of the Settlement Fund once the Court’s order or judgment approving the Settlement becomes Final. Defendants shall not have any liability, obligation or responsibility for the administration of the Settlement, the disbursement of the Net Settlement Fund or the plan of allocation.

44. Approval of the Settlement is independent from approval of a plan of allocation. Any determination with respect to a plan of allocation will not affect the Settlement, if approved.

45. Unless the Court otherwise orders, any Settlement Class Member who fails to submit a Claim Form postmarked on or before March 21, 2017, shall be fully and forever barred from receiving payments pursuant to the Settlement but will in all other respects remain a Settlement Class Member and be subject to the provisions of the Stipulation, including the terms of any Judgment entered and the releases given. This means that each Settlement Class Member releases the Released Plaintiffs’ Claims (as defined in ¶33 above) against the Defendants’ Releasees (as defined in ¶34 above) and will be enjoined and prohibited from filing, prosecuting, or pursuing any of the Released Plaintiffs’ Claims against any of the Defendants’ Releasees whether or not such Settlement Class Member submits a Claim Form.

46. Participants in and beneficiaries of a plan covered by ERISA (“ERISA Plan”) should NOT include any information relating to their transactions in Barrett common stock held through the ERISA Plan in any Claim Form that they may submit in this Action. They should include ONLY those shares that they purchased or acquired outside of the ERISA Plan. Claims based on any ERISA Plan’s purchases or acquisitions of Barrett common stock during the

Settlement Class Period may be made by the Plan's trustees. To the extent any of the Defendants or any of the other persons or entities excluded from the Settlement Class are participants in the ERISA Plan, such persons or entities shall not receive, either directly or indirectly, any portion of the recovery that may be obtained from the Settlement by the ERISA Plan.

47. The Court has reserved jurisdiction to allow, disallow, or adjust on equitable grounds the Claim of any Settlement Class Member.

48. Each Claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to his, her or its Claim Form.

49. Only Settlement Class Members, *i.e.*, persons and entities who purchased or otherwise acquired Barrett common stock during the Settlement Class Period and were damaged as a result of such purchases or acquisitions will be potentially eligible to share in the distribution of the Net Settlement Fund. Persons and entities that are excluded from the Settlement Class by definition or that exclude themselves from the Settlement Class pursuant to request will not be eligible to receive a distribution from the Net Settlement Fund and should not submit Claim Forms. The only security that is included in the Settlement is Barrett common stock.

PROPOSED PLAN OF ALLOCATION

50. The objective of the Plan of Allocation is to equitably distribute the Settlement proceeds to those Settlement Class Members who suffered economic losses as a proximate result of the alleged wrongdoing. In developing the Plan of Allocation, Plaintiff's damages expert calculated the potential amount of estimated alleged artificial inflation in Barrett's common stock which allegedly was proximately caused by Defendants' alleged false and misleading statements and material omissions. In calculating the estimated alleged artificial inflation allegedly caused by Defendants' alleged misrepresentations and omissions, Plaintiff's damages expert considered the market and industry adjusted price changes in Barrett's stock price following certain corrective disclosures. The estimated potential alleged artificial inflation in Barrett's common stock is shown in Table A set forth at the end of this Notice.

51. The calculations made pursuant to the Plan of Allocation are not intended to be estimates of, nor indicative of, the amounts that Settlement Class Members might have been able to recover after a trial. Nor are the calculations pursuant to the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants pursuant to the Settlement. The computations under the Plan of Allocation are only a method to weigh the claims of Authorized Claimants against one another for the purposes of making *pro rata* allocations of the Net Settlement Fund.

52. In order to have recoverable damages, disclosure of the alleged misrepresentations must be the cause of the decline in the price of the Barrett common stock. In this case, Plaintiffs allege that Defendants made false statements and omitted material facts during the Settlement Class Period, which had the effect of artificially inflating the prices of Barrett common stock. Alleged corrective disclosures that removed the artificial inflation from the stock price occurred on the following dates: (a) September 16, 2014; (b) October 28, 2014, after the market closed; and (c) March 9, 2016, after the market closed.³ The estimated inflation removed by each of these alleged corrective disclosures, and used as the basis for reducing the artificial inflation in Table A, is:

September 16, 2014 price decline:

\$9.22 per share

September 16, 2014, market adjusted price decline

³ The artificial inflation in Table A was also adjusted for one inflationary event. On February 3, 2015, after the market closed, financial results were announced that should not have been relied upon, resulting in a statistically significant market adjusted \$5.01 per share increase in the stock price, and inflation, on February 4, 2015.

October 29, 2014 price decline:

\$23.88 per share

October 29-30, 2014, market adjusted price decline

March 10, 2016 price decline:

\$9.59 per share

March 10-11, 2016, market adjusted price decline

53. Only shares purchased prior to, and held after, one or more of the alleged corrective disclosures are potentially eligible for recovery under this Plan of Allocation.

CALCULATION OF RECOGNIZED LOSS AMOUNTS

54. Based on the formula set forth below, a “Recognized Loss Amount” shall be calculated for each purchase or acquisition of Barrett common stock during the Settlement Class Period that is listed in the Proof of Claim Form and for which adequate documentation is provided. In the calculations below, if a Recognized Loss Amount calculates to a negative number, that Recognized Loss Amount shall be zero.

For each Barrett common stock purchased or otherwise acquired from February 12, 2013, through and including March 9, 2016, and:

- (a) Sold between February 12, 2013, and March 9, 2016, inclusive, the Recognized Loss Amount shall be *the lesser of*:
 - (i) the amount of artificial inflation per share as set forth in Table A on the date of purchase, minus the amount of artificial inflation per share as set forth in Table A on the date of the sale; or
 - (ii) purchase/acquisition price minus the sale price.
- (b) Sold between March 10, 2016, and June 7, 2016, inclusive, the Recognized Loss Amount shall be *the lesser of*:
 - (i) the amount of artificial inflation per share as set forth in Table A on the date of purchase;
 - (ii) the purchase/acquisition price minus the sale price; or
 - (iii) the purchase price/acquisition price minus the average closing price between March 10, 2016, and the date of sale as shown on Table B set forth at the end of this Notice.
- (c) Held as of the close of trading on June 7, 2016, the Recognized Loss Amount shall be *the lesser of*:
 - (i) the amount of artificial inflation per share as set forth in Table A on the date of purchase; or

- (ii) the purchase/acquisition price minus \$30.21 per share, the average closing price for Barrett common stock between March 10, 2016, and June 7, 2016 (the last entry on Table B).⁴

ADDITIONAL PROVISIONS

55. The Net Settlement Fund will be allocated among all Authorized Claimants based on each Authorized Claimant's Recognized Claim (defined below), subject to a \$10 minimum as discussed below.

56. If a Settlement Class Member has more than one purchase/acquisition or sale of Barrett common stock, purchases/acquisitions and sales shall be matched on a First In, First Out ("FIFO") basis. Settlement Class Period sales will be matched first against any holdings at the beginning of the Settlement Class Period, and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Settlement Class Period.

57. A Claimant's "Recognized Claim" under the Plan of Allocation shall be the sum of his, her or its Recognized Loss Amounts for all of the Barrett common stock.

58. The Net Settlement Fund will be distributed to Authorized Claimants on a *pro rata* basis based on the relative size of their Recognized Claims. Specifically, a "Distribution Amount" will be calculated for each Authorized Claimant, which shall be the Authorized Claimant's Recognized Claim divided by the total Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund. If any Authorized Claimant's Distribution Amount calculates to less than \$10.00, it will not be included in the calculation and no distribution will be made to such Authorized Claimant.

59. Purchases or acquisitions and sales of Barrett common stock shall be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date. The receipt or grant by gift, inheritance or operation of law of Barrett common stock during the Settlement Class Period shall not be deemed a purchase, acquisition or sale of Barrett common stock for the calculation of an Authorized Claimant's Recognized Loss Amount, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of any Barrett common stock unless (i) the donor or decedent purchased or otherwise acquired such Barrett common stock during the Settlement Class Period; (ii) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such Barrett common stock; and (iii) it is specifically so provided in the instrument of gift or assignment.

60. The date of covering a "short sale" is deemed to be the date of purchase or acquisition of the Barrett common stock. The date of a "short sale" is deemed to be the date of sale of the Barrett common stock. Under the Plan of Allocation, however, the Recognized Loss Amount on "short sales" is zero. In the event that a Claimant has an opening short position in Barrett common stock, the earliest Settlement Class Period purchases or acquisitions of that security shall be matched against such opening short position, and not be entitled to a recovery, until that short position is fully covered.

61. Option contracts are not securities eligible to participate in the Settlement. With respect to Barrett common stock purchased or sold through the exercise of an option, the purchase/sale date of the Barrett common stock is the exercise date of the option and the purchase/sale price of the Barrett common stock is the exercise price of the option.

⁴ Pursuant to PSLRA Section 21D(e)(1) "in any private action arising under this Act in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated to the market." Consistent with the requirements of the PSLRA, Recognized Loss Amounts are reduced to an appropriate extent by taking into account the closing prices of Barrett common stock during the 90-day look-back period. The mean (average) closing price for Barrett common stock during this 90-day look-back period was \$30.21 per share.

62. To the extent a Claimant had a market gain with respect to his, her, or its overall transactions in Barrett common stock during the Settlement Class Period, the value of the Claimant's Recognized Claim shall be zero. Such Claimants shall in any event be bound by the Settlement. To the extent that a Claimant suffered an overall market loss with respect to his, her, or its overall transactions in Barrett common stock during the Settlement Class Period, but that market loss was less than the total Recognized Claim calculated above, then the Claimant's Recognized Claim shall be limited to the amount of the actual market loss.

63. For purposes of determining whether a Claimant had a market gain with respect to his, her, or its overall transactions in Barrett common stock during the Settlement Class Period or suffered a market loss, the Claims Administrator shall determine the difference between (i) the Total Purchase Amount⁵ and (ii) the sum of the Total Sales Proceeds⁶ and Total Holding Value.⁷ This difference shall be deemed a Claimant's market gain or loss with respect to his, her, or its overall transactions in Barrett common stock during the Settlement Class Period.

64. After the initial distribution of the Net Settlement Fund, the Claims Administrator shall make reasonable and diligent efforts to have Authorized Claimants cash their distribution checks. To the extent any monies remain in the fund nine (9) months after the initial distribution, if Lead Counsel, in consultation with the Claims Administrator, determines that it is cost-effective to do so, the Claims Administrator shall conduct a re-distribution of the funds remaining after payment of any unpaid fees and expenses incurred in administering the Settlement, including for such re-distribution, to Authorized Claimants who have cashed their initial distributions and who would receive at least \$10.00 from such re-distribution. Additional re-distributions to Authorized Claimants who have cashed their prior checks and who would receive at least \$10.00 on such additional re-distributions may occur thereafter if Lead Counsel, in consultation with the Claims Administrator, determines that additional re-distributions, after the deduction of any additional fees and expenses incurred in administering the Settlement, including for such re-distributions, would be cost-effective. At such time as it is determined that the re-distribution of funds remaining in the Net Settlement Fund is not cost-effective, the remaining balance shall be contributed to non-sectarian, not-for-profit organization(s), to be recommended by Lead Counsel and approved by the Court.

65. Payment pursuant to the Plan of Allocation, or such other plan of allocation as may be approved by the Court, shall be conclusive against all Authorized Claimants. No person shall have any claim against Plaintiffs, Plaintiffs' Counsel, Plaintiffs' damages expert, Defendants, Defendants' Counsel, or any of the other Releasees, or the Claims Administrator or other agent designated by Lead Counsel arising from distributions made substantially in accordance with the Stipulation, the plan of allocation approved by the Court, or further Orders of the Court. Plaintiffs, Defendants and their respective counsel, and all other Defendants' Releasees, shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund, the Net Settlement Fund, the plan of allocation, or the determination, administration, calculation, or payment of any Claim Form or nonperformance of the Claims Administrator, the payment or withholding of taxes owed by the Settlement Fund, or any losses incurred in connection therewith.

66. The Plan of Allocation set forth herein is the plan that is being proposed to the Court for its approval by Plaintiffs after consultation with their damages expert. The Court may approve this plan as proposed or it may modify the Plan of Allocation without further notice to the Settlement Class. Any Orders regarding any modification of the Plan of Allocation will be posted on the settlement website, www.BarrettSecuritiesSettlement.com.

⁵ The "Total Purchase Amount" is the total amount the Claimant paid (excluding commissions and other charges) for all Barrett common stock purchased or acquired during the Settlement Class Period.

⁶ The Claims Administrator shall match any sales of Barrett common stock during the Settlement Class Period, first against the Claimant's opening position in the stock (the proceeds of those sales will not be considered for purposes of calculating market gains or losses). The total amount received (excluding commissions and other charges) for the remaining sales of Barrett common stock sold during the Settlement Class Period shall be the "Total Sales Proceeds."

⁷ The Claims Administrator shall ascribe a holding value of \$30.21 per share for Barrett common stock purchased or acquired during the Settlement Class Period and still held as of the close of trading on June 7, 2016 (the "Holding Value").

**WHAT PAYMENT ARE THE ATTORNEYS FOR THE SETTLEMENT CLASS SEEKING?
HOW WILL THE LAWYERS BE PAID?**

67. Plaintiffs' Counsel have not received any payment for their services in pursuing claims against the Defendants on behalf of the Settlement Class, nor have Plaintiffs' Counsel been reimbursed for their out-of-pocket expenses. Before final approval of the Settlement, Lead Counsel will apply to the Court for an award of attorneys' fees for all Plaintiffs' Counsel in an amount not to exceed 22% of the Settlement Fund. At the same time, Lead Counsel also intends to apply for reimbursement of Litigation Expenses in an amount not to exceed \$400,000, which may include an application for reimbursement of the reasonable costs and expenses incurred by Plaintiffs directly related to their representation of the Settlement Class. The Court will determine the amount of any award of attorneys' fees or reimbursement of Litigation Expenses. Such sums as may be approved by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses.

**WHAT IF I DO NOT WANT TO BE A MEMBER OF THE SETTLEMENT CLASS?
HOW DO I EXCLUDE MYSELF?**

68. Each Settlement Class Member will be bound by all determinations and judgments in this lawsuit, whether favorable or unfavorable, unless such person or entity mails or delivers a written Request for Exclusion from the Settlement Class, addressed to *In re Barrett Business Services Securities Litigation*, EXCLUSIONS, c/o Garden City Group LLC, P.O. Box 35133, Seattle, WA 98124-5133. The exclusion request must be *received* no later than February 1, 2017. You will not be able to exclude yourself from the Settlement Class after that date. Each Request for Exclusion must (a) state the name, address and telephone number of the person or entity requesting exclusion, and in the case of entities the name and telephone number of the appropriate contact person; (b) state that such person or entity "requests exclusion from the Settlement Class in *In re Barrett Business Services Securities Litigation*, Case No. C14-5884-BHS"; (c) identify and state the number of each Barrett common stock that the person or entity requesting exclusion purchased/acquired and/or sold during the Settlement Class Period (*i.e.*, between February 12, 2013, and March 9, 2016, inclusive), as well as the dates and prices of each such purchase/acquisition and sale; and (d) be signed by the person or entity requesting exclusion or an authorized representative. A Request for Exclusion shall not be valid and effective unless it provides all the information called for in this paragraph and is received within the time stated above, or is otherwise accepted by the Court.

69. If you do not want to be part of the Settlement Class, you must follow these instructions for exclusion even if you have pending, or later file, another lawsuit, arbitration, or other proceeding relating to any Released Plaintiffs' Claim against any of the Defendants' Releasees.

70. If you ask to be excluded from the Settlement Class, you will not be eligible to receive any payment out of the Net Settlement Fund.

71. Defendants have the right to terminate the Settlement if valid requests for exclusion are received from persons and entities entitled to be members of the Settlement Class in an amount that exceeds an amount agreed to by Plaintiffs and Defendants.

**WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE
SETTLEMENT? DO I HAVE TO COME TO THE HEARING?
MAY I SPEAK AT THE HEARING IF I DON'T LIKE THE SETTLEMENT?**

72. **Settlement Class Members do not need to attend the Settlement Hearing. The Court will consider any submission made in accordance with the provisions below even if a Settlement Class Member does not attend the hearing. You can participate in the Settlement without attending the Settlement Hearing.**

73. The Settlement Hearing will be held on February 22, 2017, at 1:30 p.m., before the Honorable Benjamin H. Settle at the United States District Court for the Western District of Washington, United States Courthouse, Courtroom E, 1717 Pacific Avenue, Tacoma, WA 98402-3200. The Court reserves the right to approve the Settlement, the Plan of Allocation, Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses and/or any other matter related to the Settlement at or after the Settlement Hearing without further notice to the members of the Settlement Class.

74. Any Settlement Class Member who or which does not request exclusion may object to the Settlement, the proposed Plan of Allocation or Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses. Objections must be in writing. You must file any written objection, together with copies of all other papers and briefs supporting the objection, with the Clerk's Office at the United States District Court for the Western District of Washington at the address set forth below on or before February 1, 2017. You must also serve the papers on Lead Counsel and on Defendants' Counsel at the addresses set forth below so that the papers are **received on or before February 1, 2017**.

Clerk's Office

United States District Court
Western District of Washington
Clerk of the Court
United States Courthouse
1717 Pacific Avenue
Seattle, WA 98402-3200

Lead Counsel

**Bernstein Litowitz Berger
& Grossmann LLP**
Timothy A. DeLange, Esq.
12481 High Bluff Drive
Suite 300
San Diego, CA 92130-3582

Defendants' Counsel

**Miller Nash Graham
& Dunn LLP**
Thomas C. Sand, Esq.
111 S.W. Fifth Avenue
Suite 3400
Portland, OR 97204

75. Any objection (a) must state the name, address and telephone number of the person or entity objecting and must be signed by the objector; (b) must contain a statement of the Settlement Class Member's objection or objections, and the specific reasons for each objection, including any legal and evidentiary support the Settlement Class Member wishes to bring to the Court's attention; and (c) must include documents sufficient to prove membership in the Settlement Class, including the number of each Barrett common stock that the objecting Settlement Class Member purchased/acquired and/or sold during the Settlement Class Period (*i.e.*, between February 12, 2013, and March 9, 2016, inclusive), as well as the dates and prices of each such purchase/acquisition and sale. You may not object to the Settlement, the Plan of Allocation or Lead Counsel's motion for attorneys' fees and reimbursement of Litigation Expenses if you exclude yourself from the Settlement Class or if you are not a member of the Settlement Class.

76. You may file a written objection without having to appear at the Settlement Hearing. You may not, however, appear at the Settlement Hearing to present your objection unless you first file and serve a written objection in accordance with the procedures described above, unless the Court orders otherwise.

77. If you wish to be heard orally at the hearing in opposition to the approval of the Settlement, the Plan of Allocation or Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses, and if you timely file and serve a written objection as described above, you must also file a notice of appearance with the Clerk's Office and serve it on Lead Counsel and Defendants' Counsel at the addresses set forth above so that it is **received on or before February 1, 2017**. Persons who intend to object and desire to present evidence at the Settlement Hearing must include in their written objection or notice of appearance the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the hearing. Such persons may be heard orally at the discretion of the Court.

78. You are not required to hire an attorney to represent you in making written objections or in appearing at the Settlement Hearing. However, if you decide to hire an attorney, it will be at your own expense, and that attorney must file a notice of appearance with the Court and serve it on Lead Counsel and Defendants' Counsel at the addresses set forth in ¶74 above so that the notice is **received on or February 1, 2017**.

79. The Settlement Hearing may be adjourned by the Court without further written notice to the Settlement Class. If you intend to attend the Settlement Hearing, you should confirm the date and time with Lead Counsel.

80. **Unless the Court orders otherwise, any Settlement Class Member who does not object in the manner described above will be deemed to have waived any objection and shall be forever foreclosed from making any objection to the proposed Settlement, the proposed Plan of Allocation or Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses. Settlement Class Members do not need to appear at the Settlement Hearing or take any other action to indicate their approval.**

WHAT IF I BOUGHT SHARES ON SOMEONE ELSE'S BEHALF?

81. If you purchased or otherwise acquired any of the Barrett common stock between February 12, 2013, and March 9, 2016, inclusive, for the beneficial interest of persons or organizations other than yourself, you must either (a) within seven (7) calendar days of receipt of this Notice, request from the Claims Administrator sufficient copies of the Notice and Claim Form (the "Notice Packet") to forward to all such beneficial owners and within seven (7) calendar days of receipt of those Notice Packets forward them to all such beneficial owners; or (b) within seven (7) calendar days of receipt of this Notice, provide a list of the names and addresses of all such beneficial owners to *In re Barrett Business Services Securities Litigation*, c/o Garden City Group LLC, P.O. Box 35133, Seattle, WA 98124-5133. If you choose the second option, the Claims Administrator will send a copy of the Notice and the Claim Form to the beneficial owners. Upon full compliance with these directions, such nominees may seek reimbursement of their reasonable expenses actually incurred, by providing the Claims Administrator with proper documentation supporting the expenses for which reimbursement is sought. Copies of this Notice and the Claim Form may also be obtained from the website maintained by the Claims Administrator, www.BarrettSecuritiesSettlement.com, or by calling the Claims Administrator toll-free at 1-866-224-5076.

CAN I SEE THE COURT FILE? WHOM SHOULD I CONTACT IF I HAVE QUESTIONS?

82. This Notice contains only a summary of the terms of the proposed Settlement. For more detailed information about the matters involved in this Action, you are referred to the papers on file in the Action, including the Stipulation, which may be inspected during regular office hours at the Office of the Clerk, United States District Court for the Western District of Washington, United States Courthouse, 1717 Pacific Avenue, Seattle, WA 98402-3200. Additionally, copies of the Stipulation and any related orders entered by the Court will be posted on the website maintained by the Claims Administrator, www.BarrettSecuritiesSettlement.com.

All inquiries concerning this Notice and the Claim Form should be directed to:

*In re Barrett Business Services
Securities Litigation*
c/o Garden City Group LLC
P.O. Box 35133
Seattle, WA 98124-5133
(866) 224-5076
www.BarrettSecuritiesSettlement.com

and/or

Timothy A. DeLange, Esq.
Niki L. Mendoza, Esq.
BERNSTEIN LITOWITZ BERGER
& GROSSMANN LLP
12481 High Bluff Drive, Suite 300
San Diego, CA 92130-3582
(866) 648-2524
blbg@blbglaw.com

**DO NOT CALL OR WRITE THE COURT, THE OFFICE OF THE
CLERK OF THE COURT, DEFENDANTS OR THEIR COUNSEL
REGARDING THIS NOTICE.**

Dated: November 7, 2016

By Order of the Court
United States District Court
Western District of Washington

QUESTIONS? CALL TOLL-FREE (866) 224-5076 OR VISIT WWW.BARRETTSECURITIESSETTLEMENT.COM

TABLE A

Purchase or Sale Date	Inflation
February 12, 2013 through September 15, 2014	\$37.68
September 16, 2014 through October 28, 2014	\$28.46
October 29, 2014 through February 3, 2015	\$4.58
February 4, 2015 through March 9, 2016	\$9.59

TABLE B

Date	Closing Price	Average Closing Price from March 10, 2016 through Date Shown	Date	Closing Price	Average Closing Price from March 10, 2016 through Date Shown
3/10/2016	\$24.36	\$24.36	4/25/2016	\$31.69	\$28.49
3/11/2016	\$27.54	\$25.95	4/26/2016	\$32.39	\$28.61
3/14/2016	\$28.14	\$26.68	4/27/2016	\$32.06	\$28.71
3/15/2016	\$27.82	\$26.97	4/28/2016	\$31.72	\$28.80
3/16/2016	\$27.99	\$27.17	4/29/2016	\$31.01	\$28.86
3/17/2016	\$27.07	\$27.15	5/2/2016	\$31.07	\$28.92
3/18/2016	\$28.06	\$27.28	5/3/2016	\$31.15	\$28.98
3/21/2016	\$27.36	\$27.29	5/4/2016	\$31.02	\$29.03
3/22/2016	\$27.64	\$27.33	5/5/2016	\$30.77	\$29.07
3/23/2016	\$27.25	\$27.32	5/6/2016	\$30.10	\$29.10
3/24/2016	\$27.78	\$27.36	5/9/2016	\$30.72	\$29.14
3/28/2016	\$27.31	\$27.36	5/10/2016	\$30.39	\$29.17
3/29/2016	\$28.02	\$27.41	5/11/2016	\$29.80	\$29.18
3/30/2016	\$28.66	\$27.50	5/12/2016	\$29.27	\$29.18
3/31/2016	\$28.75	\$27.58	5/13/2016	\$29.21	\$29.18
4/1/2016	\$28.24	\$27.62	5/16/2016	\$29.06	\$29.18
4/4/2016	\$27.67	\$27.63	5/17/2016	\$28.52	\$29.17
4/5/2016	\$27.26	\$27.61	5/18/2016	\$28.71	\$29.16
4/6/2016	\$27.01	\$27.58	5/19/2016	\$28.10	\$29.14
4/7/2016	\$26.90	\$27.54	5/20/2016	\$28.08	\$29.12
4/8/2016	\$27.23	\$27.53	5/23/2016	\$28.26	\$29.10
4/11/2016	\$27.55	\$27.53	5/24/2016	\$28.59	\$29.09
4/12/2016	\$27.92	\$27.54	5/25/2016	\$29.13	\$29.09
4/13/2016	\$28.43	\$27.58	5/26/2016	\$36.50	\$29.22
4/14/2016	\$28.92	\$27.64	5/27/2016	\$36.47	\$29.35
4/15/2016	\$29.68	\$27.71	5/31/2016	\$37.36	\$29.49
4/18/2016	\$29.62	\$27.78	6/1/2016	\$38.94	\$29.66
4/19/2016	\$29.68	\$27.85	6/2/2016	\$38.74	\$29.81
4/20/2016	\$34.57	\$28.08	6/3/2016	\$37.61	\$29.94
4/21/2016	\$32.98	\$28.25	6/6/2016	\$38.39	\$30.08
4/22/2016	\$32.64	\$28.39	6/7/2016	\$38.30	\$30.21

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