

EXHIBIT 1

The Honorable Benjamin H. Settle

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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT TACOMA

IN RE BARRETT BUSINESS SERVICES
SECURITIES LITIGATION

CASE NO. 14-cv-5884-BHS

This Document Relates To:

CLASS ACTION

ALL ACTIONS.

**STIPULATION AND AGREEMENT OF
SETTLEMENT**

1 This Stipulation and Agreement of Settlement (the “Stipulation”) is entered into between
2 (a) Lead Plaintiff Painters & Allied Trades District Council No. 35 Pension and Annuity Funds
3 (“Lead Plaintiff” or “Painters Funds”) and named plaintiff Bakers Local No. 433 Pension Fund
4 (“Bakers Fund”) (together with Lead Plaintiff, “Plaintiffs”), on behalf of themselves and the
5 Settlement Class (defined below); and (b) defendant Barrett Business Services, Inc. (“Barrett”),
6 and defendants Michael L. Elich (“Elich”) and James D. Miller (“Miller”) (together, “Individual
7 Defendants”; with Barrett, “Defendants”), and embodies the terms and conditions of the settlement
8 of the above-captioned action (the “Action”).¹ Subject to the approval of the Court and the terms
9 and conditions expressly provided herein, this Stipulation is intended to fully, finally and forever
10 compromise, settle, release, resolve, and dismiss with prejudice the Action and all claims asserted
11 therein against Defendants.

12 **WHEREAS:**

13 A. Beginning on November 6, 2014, three class action complaints were filed in the
14 United States District Court for the Western District of Washington (the “Court”), styled *Arciaga*
15 *v. Barrett Business Services, Inc.*, Case No. C14-5884 BHS; *Carnes v. Barrett Business Services,*
16 *Inc.*, Case No. C14-5903 BHS; and *Stein v. Barrett Business Services, Inc.*, Case No. C14-5912
17 BHS.

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

23 C. On April 29, 2015, Plaintiffs filed the Consolidated Amended Complaint
24 (“Consolidated Complaint”) asserting claims against all Defendants under Section 10(b) of the
25

26 ¹ All terms with initial capitalization not otherwise defined herein shall have the meanings ascribed to them in ¶ 1 herein.

1 Securities Exchange Act of 1934 (the “Exchange Act”) and Rule 10b-5 promulgated thereunder,
2 and against the Individual Defendants under Section 20(a) of the Exchange Act, on behalf of a
3 class of persons who purchased or acquired Barrett common stock between February 12, 2013,
4 and October 28, 2014, inclusive. Among other things, the Consolidated Complaint alleged that
5 Defendants made materially false and misleading statements about Barrett’s workers’
6 compensation reserve. The Consolidated Complaint further alleged that the price of Barrett stock
7 was artificially inflated as a result of Defendants’ allegedly false and misleading statements, and
8 declined when the truth was revealed.

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

12 E. On November 23, 2015, the Court granted Plaintiffs’ unopposed motion for leave
13 to file an amended complaint in light of new information disclosed in the Company’s Form 8-K
14 filed with the SEC on November 9, 2015. On November 23, 2015, Plaintiffs filed the First
15 Amended Consolidated Class Action Complaint (“First Amended Complaint”). The First
16 Amended Complaint, like the Consolidated Complaint, asserted claims against all Defendants
17 under Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder, and against the
18 Individual Defendants under Section 20(a) of the Exchange Act. The Complaint alleged claims
19 substantially similar to those alleged in the Consolidated Complaint but also included allegations
20 based on new information revealed after the filing of the Consolidated Complaint.

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

23 G. On March 21, 2016, the Court granted Plaintiffs’ unopposed motion for leave to
24 file an amended complaint in light of new information alleged, including that Barrett would have
25 to restate three years of financial statements, that its Chief Financial Officer had made a series of
26 unsupported journal entries in 2013 that affected Barrett's reported workers' compensation

1 expense, and that it had terminated its Chief Financial Officer. The same day, March 21, 2016,
2 Plaintiffs filed the Second Amended Consolidated Class Action Complaint (the “Second Amended
3 Complaint” or “Complaint”), alleging Section 10(b) claims against all Defendants and Section
4 20(a) claims against the Individual Defendants, on behalf of a class of persons who purchased or
5 otherwise acquired Barrett common stock between February 12, 2013, and March 9, 2016,
6 inclusive.

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

11 I. On January 5, 2016, and June 30, 2016, the Parties participated in in-person all-day
12 mediation sessions before an experienced mediator, Jed D. Melnick, Esq. of JAMS ADR. In
13 advance of each session, the Parties exchanged and submitted to Mediator Melnick detailed
14 mediation statements and exhibits, which addressed the issues of liability and damages. Both
15 sessions ended without any agreement being reached.

16 J. Over the course of the next few months following the second mediation, Mediator
17 Melnick conducted further discussions with the Parties in attempts to reach a resolution. Mediator
18 Melnick ultimately made a Mediator’s Recommendation to settle the case for \$12 million in cash,
19 which the Parties separately accepted on September 2, 2016, subject to certain terms and
20 conditions and the execution of a customary “long form” stipulation and agreement of settlement
21 and related papers.

22 K. This Stipulation (together with the exhibits hereto) reflects the final and binding
23 agreement between the Parties.

24 L. Based upon their investigation, prosecution and mediation of the case, Plaintiffs
25 and Lead Counsel have concluded that the terms and conditions of this Stipulation are fair,
26 reasonable and adequate to Plaintiffs and the other members of the Settlement Class, and in their

1 best interests. Based on Plaintiffs' oversight of the prosecution of this matter and with the advice
2 of its counsel, Plaintiffs have agreed to settle and release the claims raised in the Action pursuant
3 to the terms and provisions of this Stipulation, after considering, among other things: (a) the
4 substantial financial benefit that Plaintiffs and the other members of the Settlement Class will
5 receive under the proposed Settlement; and (b) the significant risks and costs of continued
6 litigation and trial.

7 M. This Stipulation constitutes a compromise of matters that are in dispute between
8 the Parties. Defendants are entering into this Stipulation solely to eliminate the uncertainty, burden
9 and expense of further protracted litigation. Each of the Defendants denies any wrongdoing, and
10 this Stipulation shall in no event be construed or deemed to be evidence of or an admission or
11 concession on the part of any of the Defendants with respect to any claim or allegation of any fault
12 or liability or wrongdoing or damage whatsoever, or any infirmity in the defenses that the
13 Defendants have, or could have, asserted. The Defendants expressly deny that Plaintiffs have
14 asserted any valid claims as to any of them, and expressly deny any and all allegations of fault,
15 liability, wrongdoing or damages whatsoever. Similarly, this Stipulation shall in no event be
16 construed or deemed to be evidence of or an admission or concession on the part of any Plaintiff
17 of any infirmity in any of the claims asserted in the Action, or an admission or concession that any
18 of the Defendants' defenses to liability have any merit. Each of the Parties recognizes and
19 acknowledges, however, that the Action has been initiated, filed and prosecuted by Plaintiffs in
20 good faith and defended by Defendants in good faith, that the Action is being voluntarily settled
21 with the advice of counsel, and that the terms of the Settlement are fair, adequate and reasonable.

22 NOW THEREFORE, it is hereby STIPULATED AND AGREED, by and among Plaintiffs
23 (individually and on behalf of all other members of the Settlement Class) and Defendants, by and
24 through their respective undersigned attorneys and subject to the approval of the Court pursuant
25 to Rule 23(e) of the Federal Rules of Civil Procedure, that, in consideration of the benefits flowing
26 to the Parties from the Settlement, all Released Plaintiffs' Claims as against the Defendants'

1 Releasees and all Released Defendants' Claims as against the Plaintiffs' Releasees shall be settled
2 and released, upon and subject to the terms and conditions set forth below.

3 **DEFINITIONS**

4 1. As used in this Stipulation and any exhibits attached hereto and made a part hereof,
5 the following capitalized terms shall have the following meanings:

6 (a) "Action" means the consolidated securities class action in the matter styled
7 *In re Barrett Business Services Securities Litigation*, Cause No. C14-5884BHS (W.D. Wash.), and
8 includes all actions consolidated therein.

9 (b) "Alternate Judgment" means a form of final judgment that may be entered
10 by the Court herein but in a form other than the form of Judgment provided for in this Stipulation.

11 (c) "Authorized Claimant" means a Settlement Class Member who submits a
12 Proof of Claim Form to the Claims Administrator that is approved by the Court for payment from
13 the Net Settlement Fund.

14 (d) "Barrett" or the "Company" means Barrett Business Services, Inc.

15 (e) "Cause of Action" means all claims and causes of action of every nature
16 and description, including all proceedings, judgments, suits, damages, demands (whether written
17 or oral), agreements, promises, liabilities, controversies, costs, expenses, attorneys' fees and losses
18 of any sort whatsoever, whether in law or in equity, and whether based on any federal, state or
19 foreign statutory or common-law right of action or otherwise, foreseen or unforeseen, matured or
20 unmatured, known or Unknown Claims, accrued or not accrued, including without limitation
21 claims for violation of the Exchange Act (including but not limited to Sections 10(b), violations of
22 Securities and Exchange Commission rules (including but not limited to Rule 10b-5), and
23 negligence.

24 (f) "Claim" means a Proof of Claim Form submitted to the Claims
25 Administrator.

1 (g) “Claim Form” or “Proof of Claim Form” means the form, substantially in
2 the form attached hereto as Exhibit 2 to Exhibit A, that a Claimant or Settlement Class Member
3 must complete and submit should that Claimant or Settlement Class Member seek to share in a
4 distribution of the Net Settlement Fund.

5 (h) “Claimant” means a person or entity who or which submits a Claim Form
6 to the Claims Administrator seeking to be eligible to share in the proceeds of the Settlement Fund.

7 (i) “Claims Administrator” means the firm retained by Plaintiffs and Lead
8 Counsel, subject to approval of the Court, to provide all notices approved by the Court to potential
9 Settlement Class Members and to administer the Settlement.

10 (j) “Class Distribution Order” means an order entered by the Court authorizing
11 and directing that the Net Settlement Fund be distributed, in whole or in part, to Authorized
12 Claimants.

13 (k) “Complaint” or “Second Amended Complaint” means the Second Amended
14 Consolidated Class Action Complaint filed by Plaintiffs in the Action on March 21, 2016.

15 (l) “Court” means the United States District Court for the Western District of
16 Washington.

17 (m) “Defendants” means Barrett and the Individual Defendants.

18 (n) “Defendants’ Counsel” means Miller Nash Graham & Dunn LLP; Hillis
19 Clark Martin & Peterson P.S.; Janet Hoffman & Associates LLC; Groff Murphy PLLC; and
20 Covington & Burling LLP.

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

1 (p) “Effective Date” with respect to the Settlement means the first date by
2 which all of the events and conditions specified in ¶ 31 of this Stipulation have been met and have
3 occurred or have been waived.

4 (q) “Escrow Account” means an account maintained at Valley National Bank
5 wherein the Settlement Amount shall be deposited and held in escrow under the control of Lead
6 Counsel.

7 (r) “Escrow Agent” means Valley National Bank.

8 (s) “Escrow Agreement” means the agreement between Lead Counsel and the
9 Escrow Agent setting forth the terms under which the Escrow Agent shall maintain the Escrow
10 Account.

11 (t) “Excluded Claims” means (i) any ERISA or derivative claims, including
12 claims asserted in *Salinas v. Barrett Business Services, Inc.*, Case No. 24C15003178 (Md. Cir.
13 Ct.), and (ii) any claims of any person or entity who or which submits a request for exclusion that
14 is accepted by the Court.

15 (u) “Final,” with respect to the Judgment or, if applicable, the Alternate
16 Judgment, or any other court order, means: (i) if no appeal is filed, the expiration date of the time
17 provided for filing or noticing any appeal under the Federal Rules of Appellate Procedure, *i.e.*,
18 thirty (30) days after entry of the judgment or order; or (ii) if there is an appeal from the judgment
19 or order, (a) the date of final dismissal of all such appeals, or the final dismissal of any proceeding
20 on certiorari or otherwise, or (b) the date the judgment or order is finally affirmed on an appeal,
21 the expiration of the time to file a petition for a writ of certiorari or other form of review, or the
22 denial of a writ of certiorari or other form of review, and, if certiorari or other form of review is
23 granted, the date of final affirmance following review pursuant to that grant. However, any appeal
24 or proceeding seeking subsequent judicial review pertaining solely to an order issued with respect
25 to (i) attorneys’ fees, costs or expenses, or (ii) the plan of allocation of Settlement proceeds (as
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1 submitted or subsequently modified), shall not in any way delay or preclude a judgment from
2 becoming Final.

3 (v) “Immediate Family” means children, stepchildren, parents, stepparents,
4 spouses, siblings, mothers-in-law, fathers-in-law, sons-in-law, daughters-in-law, brothers-in-law,
5 and sisters-in-law. As used in this paragraph, “spouse” shall mean a husband, a wife, or a partner
6 in a state-recognized domestic relationship or civil union.

7 (w) “Individual Defendants” means Michael L. Elich and James D. Miller.

8 (x) “Judgment” means the final judgment, substantially in the form attached
9 hereto as Exhibit B, to be entered by the Court approving the Settlement.

10 (y) “Lead Counsel” means the law firm of Bernstein Litowitz Berger &
11 Grossmann LLP.

12 (z) “Lead Plaintiff” or “Painters Funds” means the Painters & Allied Trades
13 District Council No. 35 Pension and Annuity Funds.

14 (aa) “Litigation Expenses” means costs and expenses incurred in connection
15 with commencing, prosecuting and settling the Action (which may include the costs and expenses
16 of Plaintiffs directly related to their representation of the Settlement Class), for which Lead
17 Counsel intends to apply to the Court for reimbursement from the Settlement Fund.

18 (bb) “Net Settlement Fund” means the Settlement Fund less: (i) any Taxes;
19 (ii) any Notice and Administration Costs; (iii) any Litigation Expenses awarded by the Court; and
20 (iv) any attorneys’ fees awarded by the Court.

21 (cc) “Notice” means the Notice of (I) Pendency of Class Action, Certification of
22 Settlement Class, and Proposed Settlement; (II) Settlement Fairness Hearing; and (III) Motion for
23 an Award of Attorneys’ Fees and Reimbursement of Litigation Expenses, substantially in the form
24 attached hereto as Exhibit 1 to Exhibit A, which is to be mailed to Settlement Class Members.

25 (dd) “Notice and Administration Costs” means the costs, fees and expenses that
26 are incurred by the Claims Administrator and/or Lead Counsel in connection with: (i) providing

1 notices to the Settlement Class; and (ii) administering the Settlement, including but not limited to
2 the Claims process, as well as the costs, fees and expenses incurred in connection with the Escrow
3 Account.

4 (ee) “Officer” means any officer as that term is defined in Exchange Act Rule
5 16a-1(f).

6 (ff) “Parties” means Defendants and Plaintiffs, on behalf of themselves and the
7 Settlement Class.

8 (gg) “Plaintiffs” means Lead Plaintiff Painters Funds and named plaintiff Bakers
9 Local No. 433 Pension Fund (“Bakers Fund”).

10 (hh) “Plaintiffs’ Counsel” means Lead Counsel and all other legal counsel who,
11 at the direction and under the supervision of Lead Counsel, performed services on behalf of the
12 Settlement Class in the Action.

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

17 (jj) “Plan of Allocation” means the proposed plan of allocation of the Net
18 Settlement Fund set forth in the Notice.

19 (kk) “Preliminary Approval Order” means the order, substantially in the form
20 attached hereto as Exhibit A, to be entered by the Court preliminarily approving the Settlement
21 and directing that notice of the Settlement be provided to the Settlement Class.

22 (ll) “PSLRA” means the Private Securities Litigation Reform Act of 1995, 15
23 U.S.C. § 78u-4, as amended.

24 (mm) “Released Claims” means all Released Defendants’ Claims and all Released
25 Plaintiffs’ Claims.

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

8 (oo) “Released Plaintiffs’ Claims” means all Causes of Action that Plaintiffs or
9 any other member of the Settlement Class: (i) asserted in the Complaint or in any petition or
10 complaint filed in any action consolidated into the Action as of the Effective Date; or (ii) could
11 have asserted in any forum against any of the Defendants or other Defendants’ Releasees that arise
12 out of or are based upon the allegations, transactions, facts, matters or occurrences, representations,
13 disclosures, or omissions involved, set forth, or referred to in the Complaint and that relate to the
14 purchase of Barrett common stock during the Settlement Class Period. Released Plaintiffs’ Claims
15 do not include: (i) any claims relating to the enforcement of the Settlement; (ii) any Excluded
16 Claims; and (iii) any claims of any person or entity who or which submits a request for exclusion
17 that is accepted by the Court.

18 (pp) “Releasee(s)” means each and any of the Defendants’ Releasees and each
19 and any of the Plaintiffs’ Releasees.

20 (qq) “Releases” means the releases set forth in ¶¶ 5-6 of this Stipulation.

21 (rr) “Settlement” means the settlement between Plaintiffs and Defendants on the
22 terms and conditions set forth in this Stipulation.

23 (ss) “Settlement Amount” means twelve million U.S. Dollars (\$12,000,000.00)
24 in cash.

25 (tt) “Settlement Class” means all persons and entities who purchased or
26 otherwise acquired Barrett common stock between February 12, 2013, and March 9, 2016,

1 inclusive, and were damaged thereby. Excluded from the Settlement Class are Defendants;
2 members of the Immediate Family of each of the Individual Defendants; the Officers and/or
3 directors of Barrett during the Settlement Class Period; any person, firm, trust, corporation,
4 Officer, director or other individual or entity in which any Defendant has or had a controlling
5 interest during the Settlement Class Period or which is or was related to or affiliated with any of
6 the Defendants during the Settlement Class Period; and the legal representatives, agents, affiliates,
7 heirs, successors-in-interest or assigns of any such excluded party. Also excluded from the
8 Settlement Class are any persons and entities who or which exclude themselves by submitting a
9 request for exclusion that is accepted by the Court.

10 (uu) “Settlement Class Member” means each person and entity who or which is
11 a member of the Settlement Class.

12 (vv) “Settlement Class Period” means the period between February 12, 2013,
13 and March 9, 2016, inclusive.

14 (ww) “Settlement Fund” means the Settlement Amount plus any and all interest
15 earned thereon.

16 (xx) “Settlement Hearing” means the hearing set by the Court under
17 Rule 23(e)(2) of the Federal Rules of Civil Procedure to consider final approval of the Settlement.

18 (yy) “Summary Notice” means the Summary Notice of (I) Pendency of Class
19 Action, Certification of Settlement Class, and Proposed Settlement; (II) Settlement Fairness
20 Hearing; and (III) Motion for an Award of Attorneys’ Fees and Reimbursement of Litigation
21 Expenses, substantially in the form attached hereto as Exhibit 3 to Exhibit A, to be published as
22 set forth in the Preliminary Approval Order.

23 (zz) “Taxes” means: (i) all federal, state and/or local taxes of any kind (including
24 any interest or penalties thereon) on any income earned by the Settlement Fund; (ii) the expenses
25 and costs incurred by Lead Counsel in connection with determining the amount of, and paying,
26 any taxes owed by the Settlement Fund (including, without limitation, expenses of tax attorneys

1 and accountants); and (iii) all taxes imposed on payments by the Settlement Fund, including
2 withholding taxes.

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

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

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

22 CLASS CERTIFICATION

23 2. Solely for purposes of the Settlement and for no other purpose, Defendants stipulate
24 and agree to: (a) certification of the Action as a class action pursuant to Rules 23(a) and 23(b)(3)
25 of the Federal Rules of Civil Procedure on behalf of the Settlement Class; (b) certification of
26 Plaintiffs as Class Representatives for the Settlement Class; and (c) appointment of Lead Counsel

1 as Class Counsel for the Settlement Class pursuant to Rule 23(g) of the Federal Rules of Civil
2 Procedure.

3 **PRELIMINARY APPROVAL OF SETTLEMENT**

4 3. Promptly upon execution of this Stipulation, Plaintiffs will move for preliminary
5 approval of the Settlement, certification of the Settlement Class for settlement purposes only, and
6 the scheduling of a hearing for consideration of final approval of the Settlement, which motion
7 shall be unopposed by Defendants. Concurrently with the motion for preliminary approval,
8 Plaintiffs shall apply to the Court for, and Defendants shall agree to, entry of the Preliminary
9 Approval Order, substantially in the form attached hereto as Exhibit A.

10 **RELEASE OF CLAIMS**

11 4. The obligations incurred pursuant to this Stipulation are in consideration of: (i) the
12 full and final disposition of the Action as against Defendants; and (ii) the Releases provided for
13 herein.

14 5. Pursuant to the Judgment, or the Alternate Judgment, if applicable, without further
15 action by anyone, upon the Effective Date, Plaintiffs and each of the other Settlement Class
16 Members, on behalf of themselves, and their respective heirs, executors, administrators,
17 predecessors, successors, and assigns in their capacities as such, shall be deemed to have, and by
18 operation of law and of the judgment shall have, fully, finally and forever compromised, settled,
19 released, resolved, relinquished, waived and discharged each and every Released Plaintiffs' Claim
20 against each of the Defendants and all of the Defendants' Releasees, and shall forever be barred
21 and enjoined from prosecuting any or all of the Released Plaintiffs' Claims against any of the
22 Defendants or Defendants' Releasees. This release shall not apply to any Excluded Claim.

23 6. Pursuant to the Judgment, or the Alternate Judgment, if applicable, without further
24 action by anyone, upon the Effective Date of the Settlement, Defendants, on behalf of themselves,
25 and their respective heirs, executors, administrators, predecessors, successors, and assigns in their
26 capacities as such, shall be deemed to have, and by operation of law and of the judgment shall

1 have, fully, finally and forever compromised, settled, released, resolved, relinquished, waived and
2 discharged each and every Released Defendants' Claim against Plaintiffs and the other Plaintiffs'
3 Releasees, and shall forever be barred and enjoined from prosecuting any or all of the Released
4 Defendants' Claims against any of the Plaintiffs' Releasees. This release shall not apply to any
5 person or entity who or which submits a request for exclusion from the Settlement Class that is
6 accepted by the Court.

7 7. Notwithstanding ¶¶ 5-6 above, nothing in the Judgment, or the Alternate Judgment,
8 if applicable, shall bar any action by any of the Parties to enforce or effectuate the terms of this
9 Stipulation or the Judgment, or Alternate Judgment, if applicable.

10 **THE SETTLEMENT CONSIDERATION**

11 8. In consideration of the settlement of the Released Plaintiffs' Claims against
12 Defendants and the other Defendants' Releasees, the Company shall pay or cause to be paid the
13 Settlement Amount into the Escrow Account no later than fifteen (15) business days after the date
14 of entry by the Court of an order preliminarily approving this Settlement, and Lead Counsel's
15 provision to Thomas C. Sand of complete and accurate payment instructions, payment address,
16 and a completed and executed W-9 form. Payment of the Settlement Amount by the Company in
17 accordance with the terms of this Stipulation constitutes the entirety of Defendants' and
18 Defendants' Releasees' payment obligation with respect to this Stipulation, and no Individual
19 Defendant shall have any payment obligation of any kind.

20 **USE OF SETTLEMENT FUND**

21 9. The Settlement Fund shall be used to pay: (a) any Taxes; (b) any Notice and
22 Administration Costs; (c) any Litigation Expenses awarded by the Court; and (d) any attorneys'
23 fees awarded by the Court. The balance remaining in the Settlement Fund, that is, the Net
24 Settlement Fund, shall be distributed to Authorized Claimants as provided in ¶¶ 18-29 below.

25 10. Except as provided herein or pursuant to orders of the Court, the Net Settlement
26 Fund shall remain in the Escrow Account prior to the Effective Date. All funds held by the Escrow

1 Agent shall be deemed to be in the custody of the Court and shall remain subject to the jurisdiction
2 of the Court until such time as the funds shall be distributed or returned pursuant to the terms of
3 this Stipulation and/or further order of the Court. The Escrow Agent shall invest any funds in the
4 Escrow Account exclusively in United States Treasury Bills (or a mutual fund invested solely in
5 such instruments) and shall collect and reinvest all interest accrued thereon, except that any
6 residual cash balances up to the amount that is insured by the FDIC may be deposited in any
7 account that is fully insured by the FDIC. In the event that the yield on United States Treasury
8 Bills is negative, in lieu of purchasing such Treasury Bills, all or any portion of the funds held by
9 the Escrow Agent may be deposited in any account that is fully insured by the FDIC or backed by
10 the full faith and credit of the United States. Additionally, if short-term placement of the funds is
11 necessary, all or any portion of the funds held by the Escrow Agent may be deposited in any
12 account that is fully insured by the FDIC or backed by the full faith and credit of the United States.

13 11. The Parties agree that the Settlement Fund is intended to be a Qualified Settlement
14 Fund within the meaning of Treasury Regulation § 1.468B-1 and that Lead Counsel, as
15 administrator of the Settlement Fund within the meaning of Treasury Regulation § 1.468B-2(k)(3),
16 shall be solely responsible for filing or causing to be filed all informational and other tax returns
17 as may be necessary or appropriate (including, without limitation, the returns described in Treasury
18 Regulation § 1.468B-2(k)) for the Settlement Fund. Lead Counsel shall also be responsible for
19 causing payment to be made from the Settlement Fund of any Taxes owed with respect to the
20 Settlement Fund. The Defendants' Releasees shall not have any liability or responsibility for any
21 such Taxes. Upon written request, Defendants will provide to Lead Counsel the statement
22 described in Treasury Regulation § 1.468B-3(e). Lead Counsel, as administrator of the Settlement
23 Fund within the meaning of Treasury Regulation § 1.468B-2(k)(3), shall timely make such
24 elections as are necessary or advisable to carry out this paragraph, including, as necessary, making
25 a "relation back election," as described in Treasury Regulation § 1.468B-1(j), to cause the
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1 Qualified Settlement Fund to come into existence at the earliest allowable date, and shall take or
2 cause to be taken all actions as may be necessary or appropriate in connection therewith.

3 12. All Taxes shall be paid out of the Settlement Fund, and shall be timely paid by the
4 Escrow Agent pursuant to the disbursement instructions to be set forth in the Escrow Agreement,
5 and without further order of the Court. Any tax returns prepared for the Settlement Fund (as well
6 as the election set forth therein) shall be consistent with the previous paragraph and in all events
7 shall reflect that all Taxes on the income earned by the Settlement Fund shall be paid out of the
8 Settlement Fund as provided herein. The Defendants' Releasees shall have no responsibility or
9 liability for the acts or omissions of Lead Counsel or its agents with respect to the payment of
10 Taxes, as described herein.

11 13. The Settlement is not a claims-made settlement. Upon the occurrence of the
12 Effective Date, no Defendant, Defendants' Releasee, or any other person or entity who or which
13 paid any portion of the Settlement Amount shall have any right to the return of the Settlement Fund
14 or any portion thereof for any reason whatsoever, including without limitation, the number of
15 Claim Forms submitted, the collective amount of Recognized Claims of Authorized Claimants, the
16 percentage of recovery of losses, or the amounts to be paid to Authorized Claimants from the Net
17 Settlement Fund.

18 14. Notwithstanding the fact that the Effective Date of the Settlement has not yet
19 occurred, Lead Counsel may pay from the Settlement Fund, without further approval from
20 Defendants or further order of the Court, all Notice and Administration Costs actually incurred and
21 paid or payable. Such costs and expenses shall include, without limitation, the actual costs of
22 printing and mailing the Notice, publishing the Summary Notice, reimbursements to nominee
23 owners for forwarding the Notice to their beneficial owners, the administrative expenses incurred
24 and fees charged by the Claims Administrator in connection with providing notice, administering
25 the Settlement (including processing the submitted Claims), and the fees, if any, of the Escrow
26 Agent. In the event that the Settlement is terminated pursuant to the terms of this Stipulation, all

1 Notice and Administration Costs paid or incurred, including any related fees, shall not be returned
2 or repaid to Defendants, any of the other Defendants' Releasees, or any other person or entity who
3 or which paid any portion of the Settlement Amount.

4 **ATTORNEYS' FEES AND LITIGATION EXPENSES**

5 15. Lead Counsel will apply to the Court for a collective award of attorneys' fees to
6 Plaintiffs' Counsel to be paid from (and out of) the Settlement Fund. Lead Counsel also will apply
7 to the Court for reimbursement of Litigation Expenses, which may include a request for
8 reimbursement of Plaintiffs' costs and expenses directly related to their representation of the
9 Settlement Class, to be paid from (and out of) the Settlement Fund. Lead Counsel's application
10 for an award of attorneys' fees and/or Litigation Expenses is not the subject of any agreement
11 between Defendants and Plaintiffs other than what is set forth in this Stipulation.

12 16. Any attorneys' fees and Litigation Expenses that are awarded by the Court shall be
13 paid to Lead Counsel immediately upon award, notwithstanding the existence of any timely filed
14 objections thereto, or potential for appeal therefrom, or collateral attack on the Settlement or any
15 part thereof, subject to Lead Counsel's obligation to make appropriate refunds or repayments to
16 the Settlement Fund, plus accrued interest at the same net rate as is earned by the Settlement Fund,
17 if the Settlement is terminated pursuant to the terms of this Stipulation or if, as a result of any
18 appeal or further proceedings on remand, or successful collateral attack, the award of attorneys'
19 fees and/or Litigation Expenses is reduced or reversed and such order reducing or reversing the
20 award has become Final. Lead Counsel shall make the appropriate refund or repayment in full no
21 later than thirty (30) days after: (a) receiving from Defendants' Counsel notice of the termination
22 of the Settlement; or (b) any order reducing or reversing the award of attorneys' fees and/or
23 Litigation Expenses has become Final. An award of attorneys' fees and/or Litigation Expenses is
24 not a necessary term of this Stipulation and is not a condition of the Settlement embodied herein.
25 Neither Plaintiffs nor Lead Counsel may cancel or terminate the Settlement based on this Court's
26 or any appellate court's ruling with respect to attorneys' fees and/or Litigation Expenses.

1 cause to be provided to the Claims Administrator in electronic format (at no cost to the Settlement
2 Fund, Lead Counsel or the Claims Administrator) its security lists (consisting of names and
3 addresses) of the holders of Barrett common stock during the Settlement Class Period.

4 20. The Claims Administrator shall receive Claims and determine first, whether the
5 Claim is a valid Claim, in whole or part, and second, each Authorized Claimant's *pro rata* share
6 of the Net Settlement Fund based upon each Authorized Claimant's Recognized Claim compared
7 to the total Recognized Claims of all Authorized Claimants (as set forth in the Plan of Allocation
8 set forth in the Notice attached hereto as Exhibit 1 to Exhibit A, or in such other plan of allocation
9 as the Court approves).

10 21. The Plan of Allocation proposed in the Notice is not a necessary term of the
11 Settlement or of this Stipulation and it is not a condition of the Settlement or of this Stipulation
12 that any particular plan of allocation be approved by the Court. Plaintiffs and Lead Counsel may
13 not cancel or terminate the Settlement (or this Stipulation) based on this Court's or any appellate
14 court's ruling with respect to the Plan of Allocation or any other plan of allocation in this Action.
15 Defendants and the other Defendants' Releasees shall not object in any way to the Plan of
16 Allocation or any other plan of allocation in this Action. No Defendant, or any other Defendants'
17 Releasees, shall have any involvement with or liability, obligation or responsibility whatsoever for
18 the application of the Court-approved plan of allocation.

19 22. Any Settlement Class Member who does not submit a valid Claim Form will not
20 be entitled to receive any distribution from the Net Settlement Fund, but will otherwise be bound
21 by all of the terms of this Stipulation and Settlement, including the terms of the Judgment or the
22 Alternate Judgment, if applicable, to be entered in the Action, and the releases provided for herein
23 and therein, and will be permanently barred and enjoined from bringing any action, claim, or other
24 proceeding of any kind against the Defendants' Releasees with respect to the Released Plaintiffs'
25 Claims in the event that the Effective Date occurs with respect to the Settlement.

26

1 23. Lead Counsel shall be responsible for supervising the administration of the
2 Settlement and the disbursement of the Net Settlement Fund subject to Court approval. No
3 Defendant, or any other Defendants' Releasees, shall be permitted to review, contest or object to
4 any Claim Form, or any decision of the Claims Administrator or Lead Counsel with respect to
5 accepting or rejecting any Claim for payment by a Settlement Class Member. Lead Counsel shall
6 have the right, but not the obligation, to waive what it deems to be formal or technical defects in
7 any Claim Forms submitted in the interests of achieving substantial justice.

8 24. For purposes of determining the extent, if any, to which a Settlement Class Member
9 shall be entitled to be treated as an Authorized Claimant, the following conditions shall apply:

10 (a) Each Settlement Class Member shall be required to submit a Claim Form,
11 substantially in the form attached hereto as Exhibit 2 to Exhibit A, supported by such documents
12 as are designated therein, including proof of the Claimant's loss, or such other documents or proof
13 as the Claims Administrator or Lead Counsel, in their discretion, may deem acceptable;

14 (b) All Claim Forms must be submitted by the date set by the Court in the
15 Preliminary Approval Order and specified in the Notice. Any Settlement Class Member who fails
16 to submit a Claim Form by such date shall be forever barred from receiving any distribution from
17 the Net Settlement Fund or payment pursuant to this Stipulation (unless by Order of the Court such
18 Settlement Class Member's Claim Form is accepted), but shall in all other respects be bound by
19 all of the terms of this Stipulation and the Settlement, including the terms of the Judgment or
20 Alternate Judgment, if applicable, and the Releases provided for herein and therein, and will be
21 permanently barred and enjoined from bringing any action, claim or other proceeding of any kind
22 against any Defendants' Releasees with respect to any Released Plaintiffs' Claim. Provided that it
23 is mailed by the claim-submission deadline, a Claim Form shall be deemed to be submitted when
24 postmarked, if received with a postmark indicated on the envelope and if mailed by first-class mail
25 and addressed in accordance with the instructions thereon. In all other cases, the Claim Form shall
26 be deemed to have been submitted on the date when actually received by the Claims Administrator;

1 (c) Each Claim Form shall be submitted to and reviewed by the Claims
2 Administrator, who shall determine in accordance with this Stipulation and the plan of allocation
3 the extent, if any, to which each Claim shall be allowed, subject to review by the Court pursuant
4 to subparagraph (e) below as necessary;

5 (d) Claim Forms that do not meet the submission requirements may be rejected.
6 Prior to rejecting a Claim in whole or in part, the Claims Administrator shall communicate with
7 the Claimant in writing, to give the Claimant the opportunity to remedy any curable deficiencies
8 in the Claim Form submitted. The Claims Administrator shall notify, in a timely fashion and in
9 writing, each Claimant whose Claim the Claims Administrator proposes to reject in whole or in
10 part, setting forth the reasons therefor, and shall indicate in such notice that the Claimant whose
11 Claim is to be rejected has the right to a review by the Court if the Claimant so desires and complies
12 with the requirements of subparagraph (e) below; and

13 (e) If any Claimant whose Claim has been rejected in whole or in part desires
14 to contest such rejection, the Claimant must, within twenty (20) days after the date of mailing of
15 the notice required in subparagraph (d) above, serve upon the Claims Administrator, in writing, a
16 notice and statement of reasons indicating the Claimant's grounds for contesting the rejection
17 along with any supporting documentation, and requesting a review thereof by the Court. If a
18 dispute concerning a Claim cannot be otherwise resolved, Lead Counsel shall thereafter present
19 the request for review to the Court.

20 25. Each Claimant shall be deemed to have submitted to the jurisdiction of the Court
21 with respect to the Claimant's Claim, and the Claim will be subject to investigation and discovery
22 under the Federal Rules of Civil Procedure; provided, however, that such investigation and
23 discovery shall be limited to that Claimant's status as a Settlement Class Member and the validity
24 and amount of the Claimant's Claim. No discovery shall be allowed on the merits of this Action
25 or of the Settlement in connection with the processing of Claim Forms.

26

1 26. Lead Counsel will apply to the Court, on notice to Defendants' Counsel, for a Class
2 Distribution Order: (a) approving the Claims Administrator's administrative determinations
3 concerning the acceptance and rejection of the Claims submitted; (b) approving payment of any
4 administration fees and expenses associated with the administration of the Settlement from the
5 Escrow Account; and (c) if the Effective Date has occurred, directing payment of the Net
6 Settlement Fund to Authorized Claimants from the Escrow Account.

7 27. Payment pursuant to the Class Distribution Order shall be final and conclusive
8 against all Settlement Class Members. All Settlement Class Members whose Claims are not
9 approved by the Court for payment shall be barred from participating in distributions from the Net
10 Settlement Fund, but otherwise shall be bound by all of the terms of this Stipulation and the
11 Settlement, including the terms of the Judgment or Alternate Judgment, if applicable, to be entered
12 in this Action and the Releases provided for herein and therein, and will be permanently barred
13 and enjoined from bringing any action against any and all Defendants' Releasees with respect to
14 any and all of the Released Plaintiffs' Claims.

15 28. No person or entity shall have any claim against Plaintiffs, Plaintiffs' Counsel, the
16 Claims Administrator or any other agent designated by Plaintiffs' Counsel, or the Defendants'
17 Releasees and/or their respective counsel, arising from distributions made substantially in
18 accordance with the Stipulation, the plan of allocation approved by the Court, or any order of the
19 Court. Plaintiffs and Defendants, and their respective counsel, and Plaintiffs' damages expert and
20 all Releasees shall have no liability whatsoever for the investment or distribution of the Settlement
21 Fund or the Net Settlement Fund, the plan of allocation, or the determination, administration,
22 calculation, or payment of any claim or nonperformance of the Claims Administrator, the payment
23 or withholding of taxes (including interest and penalties) owed by the Settlement Fund, or any
24 losses incurred in connection therewith.

25 29. All proceedings with respect to the administration, processing and determination of
26 Claims and the determination of all controversies relating thereto, including disputed questions of

1 law and fact with respect to the validity of Claims, shall be subject to the jurisdiction of the Court.
2 All Settlement Class Members and Parties to this Settlement expressly waive trial by jury (to the
3 extent any such right may exist) and any right of appeal or review with respect to such
4 determinations.

5 **TERMS OF THE JUDGMENT**

6 30. If the Settlement contemplated by this Stipulation is approved by the Court, Lead
7 Counsel and Defendants' Counsel shall request that the Court enter a Judgment, substantially in
8 the form attached hereto as Exhibit B.

9 **CONDITIONS OF SETTLEMENT AND EFFECT OF**
10 **DISAPPROVAL, CANCELLATION OR TERMINATION**

11 31. The Effective Date of the Settlement shall be deemed to occur on the occurrence or
12 waiver of all of the following events:

13 (a) the Court has entered the Preliminary Approval Order, substantially in the
14 form set forth in Exhibit A attached hereto, as required by ¶ 3 above;

15 (b) the Settlement Amount has been deposited into the Escrow Account in
16 accordance with the provisions of ¶ 8 above;

17 (c) Defendants have not exercised their option to terminate the Settlement
18 pursuant to the provisions of this Stipulation;

19 (d) Plaintiffs have not exercised their option to terminate the Settlement
20 pursuant to the provisions of this Stipulation; and

21 (e) the Court has approved the Settlement as described herein, following notice
22 to the Settlement Class and a hearing, as prescribed by Rule 23 of the Federal Rules of Civil
23 Procedure, and entered the Judgment and the Judgment has become Final, or the Court has entered
24 an Alternate Judgment and none of the Parties seek to terminate the Settlement and the Alternate
25 Judgment has become Final.

1 32. Upon the Effective Date, any and all remaining interest or right of Defendants in or
2 to the Settlement Fund, if any, shall be absolutely and forever extinguished and the Releases herein
3 shall be effective.

4 33. If (i) Defendants exercise their right to terminate the Settlement as provided in this
5 Stipulation; (ii) Plaintiffs exercise their right to terminate the Settlement as provided in this
6 Stipulation; (iii) the Court disapproves the Settlement; or (iv) the Effective Date as to the
7 Settlement otherwise fails to occur, then:

8 (a) The Settlement and the relevant portions of this Stipulation shall be
9 canceled and terminated.

10 (b) Plaintiffs and Defendants shall revert to their respective positions in the
11 Action as of September 2, 2016.

12 (c) The terms and provisions of this Stipulation, with the exception of this ¶ 33
13 and ¶¶ 14, 16, 36 and 56, shall have no further force and effect with respect to the Parties and shall
14 not be used in the Action or in any other proceeding for any purpose, and any Judgment, or
15 Alternate Judgment, if applicable, or order entered by the Court in accordance with the terms of
16 this Stipulation shall be treated as vacated, *nunc pro tunc*.

17 (d) Within five (5) business days after joint written notification of termination
18 is sent by Defendants' Counsel and Lead Counsel to the Escrow Agent, the Settlement Fund
19 (including accrued interest thereon and any funds received by Lead Counsel consistent with ¶ 16
20 above), less any Notice and Administration Costs actually incurred, paid or payable and less any
21 Taxes paid, due or owing shall be refunded by the Escrow Agent to Defendants (or such other
22 persons or entities as Defendants may direct). In the event that the funds received by Lead Counsel
23 consistent with ¶ 16 above have not been refunded to the Settlement Fund within the five (5)
24 business days specified in this paragraph, those funds shall be refunded by the Escrow Agent to
25 Defendants (or such other persons or entities as Defendants may direct) immediately upon their
26 deposit into the Escrow Account consistent with ¶ 16 above.

1 34. It is further stipulated and agreed that Plaintiffs, provided they unanimously agree,
2 and Defendants, provided they unanimously agree, shall each have the right to terminate the
3 Settlement and this Stipulation, by providing written notice of their election to do so (“Termination
4 Notice”) to the other Parties to this Stipulation within thirty (30) days of: (a) the Court’s final
5 refusal to enter the Preliminary Approval Order in any material respect; (b) the Court’s final refusal
6 to approve the Settlement or any material part thereof; (c) the Court’s final refusal to enter the
7 Judgment in any material respect as to the Settlement; (d) the date upon which the Judgment is
8 modified or reversed in any material respect by the United States Court of Appeals for the Ninth
9 Circuit or the United States Supreme Court; or (e) the date upon which an Alternate Judgment is
10 modified or reversed in any material respect by the United States Court of Appeals for the Ninth
11 Circuit or the United States Supreme Court, and the provisions of ¶ 33 above shall apply. However,
12 any decision or proceeding, whether in this Court or any appellate court, with respect to an
13 application for attorneys’ fees or reimbursement of Litigation Expenses or with respect to any plan
14 of allocation shall not be considered material to the Settlement, shall not affect the finality of any
15 Judgment or Alternate Judgment, if applicable, and shall not be grounds for termination of the
16 Settlement.

17 35. In addition to the grounds set forth in ¶ 34 above, Barrett shall have the option to
18 terminate the Settlement in the event that Settlement Class Members requesting exclusion from
19 the Settlement Class meet the conditions set forth in its confidential supplemental agreement with
20 Plaintiffs (the "Supplemental Agreement"), in accordance with the terms of that agreement. The
21 Supplemental Agreement, which is being executed concurrently herewith, shall not be filed with
22 the Court and its terms shall not be disclosed in any other manner (other than the statements herein
23 and in the Settlement Notice, to the extent necessary, or as otherwise provided in the Supplemental
24 Agreement) unless and until the Court otherwise directs. If any dispute arises between Plaintiffs
25 and Barrett concerning the Supplemental Agreement’s interpretation or application, all such
26 disputes shall be resolved by Jed Melnick, Esq. If submission of the Supplemental Agreement is

1 ordered by the Court, the applicable Parties will undertake to have the Supplemental Agreement
2 submitted to the Court *in camera*.

3 **NO ADMISSION OF WRONGDOING**

4 36. Neither this Stipulation (whether or not consummated), including the exhibits
5 hereto and the Plan of Allocation contained therein (or any other plan of allocation that may be
6 approved by the Court), the negotiations leading to the execution of this Stipulation, nor any
7 proceedings taken pursuant to or in connection with this Stipulation and/or approval of the
8 Settlement (including any arguments proffered in connection therewith):

9 (a) shall be offered against any of the Defendants' Releasees as evidence of, or
10 construed as, or deemed to be evidence of any presumption, concession, or admission by any of
11 the Defendants' Releasees with respect to the truth of any fact alleged by Plaintiffs or the validity
12 of any claim that was or could have been asserted or the deficiency of any defense that has been
13 or could have been asserted in this Action or in any other litigation, or of any liability, negligence,
14 fault, or other wrongdoing of any kind of any of the Defendants' Releasees or in any way referred
15 to for any other reason as against any of the Defendants' Releasees, in any civil, criminal or
16 administrative action or proceeding, other than such proceedings as may be necessary to effectuate
17 the provisions of this Stipulation;

18 (b) shall be offered against any of the Plaintiffs' Releasees, as evidence of, or
19 construed as, or deemed to be evidence of any presumption, concession or admission by any of the
20 Plaintiffs' Releasees that any of their claims are without merit, that any of the Defendants'
21 Releasees had meritorious defenses, or that damages recoverable under the Complaint would not
22 have exceeded the Settlement Amount or with respect to any liability, negligence, fault or
23 wrongdoing of any kind, or in any way referred to for any other reason as against any of the
24 Plaintiffs' Releasees, in any civil, criminal or administrative action or proceeding, other than such
25 proceedings as may be necessary to effectuate the provisions of this Stipulation; or
26

1 (c) shall be construed against any of the Releasees as an admission, concession,
2 or presumption that the consideration to be given hereunder represents the amount which could be
3 or would have been recovered after trial;
4 *provided, however,* that if this Stipulation is approved by the Court, the Parties and the Releasees
5 and their respective counsel may refer to it to effectuate the protections from liability granted
6 hereunder or otherwise to enforce the terms of the Settlement.

7 **MISCELLANEOUS PROVISIONS**

8 37. All of the exhibits attached hereto are hereby incorporated by reference as though
9 fully set forth herein. Notwithstanding the foregoing, in the event that there exists a conflict or
10 inconsistency between the terms of this Stipulation and the terms of any exhibit attached hereto,
11 the terms of the Stipulation shall prevail.

12 38. Defendants warrant that, as to the payments made or to be made by or on behalf of
13 them, at the time of entering into this Stipulation and at the time of such payment they, or to their
14 knowledge any persons or entities contributing to the payment of the Settlement Amount, were not
15 insolvent, and the payment required to be made by or on behalf of them will not render them
16 insolvent, within the meaning of and/or for the purposes of the United States Bankruptcy Code,
17 including §§ 101 and 547 thereof. This representation is made by each of the Defendants and not
18 by their counsel.

19 39. In the event of the entry of a final order of a court of competent jurisdiction
20 determining the transfer of money to the Settlement Fund or any portion thereof by or on behalf
21 of Defendants to be a preference, voidable transfer, fraudulent transfer or similar transaction and
22 any portion thereof is required to be returned, and such amount is not promptly deposited into the
23 Settlement Fund by others, then, at the election of Plaintiffs, Plaintiffs and Defendants shall jointly
24 move the Court to vacate and set aside the Releases given and the Judgment or Alternate Judgment,
25 if applicable, entered in favor of Defendants and the other Releasees pursuant to this Stipulation,
26 in which event the Releases and Judgment, or Alternate Judgment, if applicable, shall be null and

1 void, and the Parties shall be restored to their respective positions in the litigation as provided in
2 ¶ 33 above and any cash amounts in the Settlement Fund (less any Taxes paid, due or owing with
3 respect to the Settlement Fund and less any Notice and Administration Costs actually incurred,
4 paid or payable) shall be returned as provided in ¶ 33.

5 40. The Parties intend this Stipulation and the Settlement to be a final and complete
6 resolution of all disputes asserted or which could be asserted by Plaintiffs and any other Settlement
7 Class Members against the Defendants and Defendants' Releasees with respect to the Released
8 Plaintiffs' Claims. Accordingly, Plaintiffs and their counsel and Defendants and their counsel
9 agree not to assert in any forum that this Action was brought by Plaintiffs or defended by
10 Defendants in bad faith or without a reasonable basis. No Party shall assert any claims of any
11 violation of Rule 11 of the Federal Rules of Civil Procedure relating to the institution, prosecution,
12 defense, or settlement of this Action. The Parties agree that the amounts paid and the other terms
13 of the Settlement were negotiated at arm's-length and in good faith by the Parties, including
14 through a mediation process supervised and conducted by Jed Melnick, Esq., and reflect the
15 Settlement that was reached voluntarily after extensive negotiations and consultation with
16 experienced legal counsel, who were fully competent to assess the strengths and weaknesses of
17 their respective clients' claims or defenses.

18 41. While retaining their right to deny that the claims asserted in the Action were
19 meritorious, Defendants and their counsel, in any statement made to any media representative
20 (whether or not for attribution) will not assert that the Action was commenced or prosecuted in
21 bad faith, nor will they deny that the Action was commenced and prosecuted in good faith and is
22 being settled voluntarily after consultation with competent legal counsel. In all events, Plaintiffs
23 and their counsel and Defendants and their counsel shall not (a) make any accusations of wrongful
24 or actionable conduct by either Party concerning the prosecution, defense, and resolution of the
25 Action, (b) otherwise suggest that the Settlement constitutes an admission of any claim or defense
26 alleged, or (c) make any statement that is inconsistent with the provisions Clause M of the Recitals,

1 which was separately bargained for and is a key element of the Settlement for each of the
2 Defendants.

3 42. The terms of the Settlement, as reflected in this Stipulation, may not be modified
4 or amended, nor may any of its provisions be waived, except by a writing signed on behalf of both
5 Lead Plaintiff and Defendants (or their successors-in-interest).

6 43. The headings herein are used for the purpose of convenience only and are not meant
7 to have legal effect. The words “include,” “includes” and “including” shall be deemed to be
8 followed by the phrase “without limitation.” The obligations of the Company and each Individual
9 Defendant under this Stipulation are several and not joint.

10 44. The administration and consummation of the Settlement as embodied in this
11 Stipulation shall be under the authority of the Court, and the Court shall retain jurisdiction for the
12 purpose of entering orders providing for awards of attorneys’ fees and Litigation Expenses to
13 Plaintiffs’ Counsel and enforcing the terms of this Stipulation, including the Plan of Allocation (or
14 such other plan of allocation as may be approved by the Court) and the distribution of the Net
15 Settlement Fund to Settlement Class Members.

16 45. The waiver by one Party of any breach of this Stipulation by any other Party shall
17 not be deemed a waiver of any other prior or subsequent breach of this Stipulation.

18 46. This Stipulation and its exhibits and documents referenced herein constitute the
19 entire agreement among Plaintiffs and Defendants concerning the Settlement and this Stipulation
20 and its exhibits. All Parties acknowledge that no other agreements, representations, warranties, or
21 inducements have been made by any Party hereto concerning this Stipulation or its exhibits other
22 than those contained and memorialized in such documents.

23 47. This Stipulation may be executed in one or more counterparts, including by
24 signature transmitted via facsimile, or by a .pdf/.tif image of the signature transmitted via email.
25 All executed counterparts and each of them shall be deemed to be one and the same instrument.
26

1 48. This Stipulation shall be binding upon and inure to the benefit of the successors and
2 assigns of the Parties, including any and all Releasees and any corporation, partnership, or other
3 entity into or with which any Party hereto may merge, consolidate or reorganize.

4 49. The construction, interpretation, operation, effect and validity of this Stipulation,
5 and all documents necessary to effectuate it, shall be governed by the internal laws of the State of
6 Washington without regard to conflicts of laws, except to the extent that federal law requires that
7 federal law govern.

8 50. Any action arising under or to enforce this Stipulation or any portion thereof, shall
9 be commenced and maintained only in the Court.

10 51. This Stipulation shall not be construed more strictly against one Party than another
11 merely by virtue of the fact that it, or any part of it, may have been prepared by counsel for one of
12 the Parties, it being recognized that it is the result of arm's-length negotiations between the Parties
13 and all Parties have contributed substantially and materially to the preparation of this Stipulation.

14 52. All counsel and any other person executing this Stipulation and any of the exhibits
15 hereto, or any related Settlement documents, warrant and represent that they have the full authority
16 to do so and that they have the authority to take appropriate action required or permitted to be
17 taken pursuant to the Stipulation to effectuate its terms.

18 53. Lead Counsel and Defendants' Counsel agree to cooperate fully with one another
19 in seeking Court approval of the Preliminary Approval Order and the Settlement, as embodied in
20 this Stipulation, and to use best efforts to promptly agree upon and execute all such other
21 documentation as may be reasonably required to obtain final approval by the Court of the
22 Settlement.

23 54. If any Party is required to give notice to another Party under this Stipulation, such
24 notice shall be in writing and shall be deemed to have been duly given upon receipt of hand
25 delivery or facsimile or email transmission, with confirmation of receipt. Notice shall be provided
26 to the following representatives of the Parties:

1 If Plaintiffs or Lead Counsel: Bernstein Litowitz Berger & Grossmann LLP
2 Attn: Timothy DeLange, Esq.
3 Niki L. Mendoza, Esq.
4 12481 High Bluff Drive, Suite 300
5 San Diego, CA 92130
6 Telephone: (858) 793-0070
7 Email: TimothyD@blbglaw.com
8 NikiM@blbglaw.com

6 If to Defendants: Miller Nash Graham & Dunn LLP
7 Attn: Thomas C. Sand, Esq.
8 U.S. Bancorp Tower
9 111 S.W. Fifth Avenue, Suite 3400
10 Portland, OR 97204
11 Telephone: (503) 224-5858
12 Email: tom.sand@millernash.com

11 55. Except as otherwise provided herein, each Party shall bear its own costs.

12 56. Whether or not the Stipulation is approved by the Court and whether or not the
13 Stipulation is consummated, or the Effective Date occurs, the Parties and their counsel shall use
14 their best efforts to keep all negotiations, discussions, acts performed, agreements, drafts,
15 documents signed and proceedings in connection with the Stipulation confidential.

16 57. All agreements made and orders entered during the course of this Action relating to
17 the confidentiality of information shall survive this Settlement.

18 58. No opinion or advice concerning the tax consequences of the proposed Settlement
19 to individual Settlement Class Members is being given or will be given by the Parties or their
20 counsel; nor is any representation or warranty in this regard made by virtue of this Stipulation.
21 Each Settlement Class Member's tax obligations, and the determination thereof, are the sole
22 responsibility of the Settlement Class Member, and it is understood that the tax consequences may
23 vary depending on the particular circumstances of each individual Settlement Class Member.

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COVINGTON & BURLING LLP

By: _____
W. Douglas Sprague

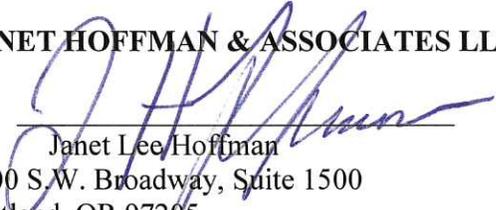
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Attorneys for Defendant James D. Miller

The Honorable Benjamin H. Settle

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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:

EXHIBIT A

ALL ACTIONS.

**[PROPOSED] ORDER
PRELIMINARILY APPROVING
SETTLEMENT AND PROVIDING FOR
NOTICE**

1 WHEREAS, a consolidated class action is pending in this Court entitled *In re Barrett*
2 *Business Services Securities Litigation*, Case No. 14-cv-5884 (the “Action”);

3 WHEREAS, (a) Lead Plaintiff Painters & Allied Trades District Council No. 35 Pension
4 and Annuity Funds (“Lead Plaintiff”) and named plaintiff Bakers Local No. 433 Pension Fund
5 (together with Lead Plaintiff, “Plaintiffs”), on behalf of themselves and the Settlement Class
6 (defined below); and (b) defendant Barrett Business Services, Inc. (“Barrett”), and defendants
7 Michael L. Elich (“Elich”) and James D. Miller (“Miller”) (together, “Individual Defendants”;
8 with Barrett, “Defendants”; and together with Plaintiffs, the “Parties”), have determined to settle
9 all claims asserted against Defendants in this Action with prejudice on the terms and conditions
10 set forth in the Stipulation and Agreement of Settlement (the “Stipulation”) subject to approval
11 of this Court (the “Settlement”);

12 WHEREAS, Plaintiffs have made an application, pursuant to Rule 23 of the Federal
13 Rules of Civil Procedure, for an order preliminarily approving the Settlement in accordance with
14 the Stipulation, certifying the Settlement Class for purposes of the Settlement only, and allowing
15 notice to Settlement Class Members as more fully described herein;

16 WHEREAS, the Court has read and considered: (a) Plaintiffs’ motion for preliminary
17 approval of the Settlement, and the papers filed and any arguments made in connection
18 therewith; and (b) the Stipulation and the exhibits attached thereto; and

19 WHEREAS, unless otherwise defined herein, all capitalized words contained herein shall
20 have the same meanings as they have in the Stipulation;

21 NOW THEREFORE, IT IS HEREBY ORDERED:

22 1. **Class Certification for Settlement Purposes** – Pursuant to Rule 23(a) and (b)(3)
23 of the Federal Rules of Civil Procedure, the Court certifies, solely for purposes of effectuating
24 the proposed Settlement, a Settlement Class consisting of all persons and entities who purchased
25 or otherwise acquired Barrett common stock between February 12, 2013, and March 9, 2016,
26 inclusive (the “Settlement Class Period”), and were damaged thereby. Excluded from the

1 Settlement Class are Defendants; members of the Immediate Family of each of the Individual
2 Defendants; the Officers and/or directors of Barrett during the Settlement Class Period; any
3 person, firm, trust, corporation, Officer, director or other individual or entity in which any
4 Defendant has or had a controlling interest during the Settlement Class Period or which is or was
5 related to or affiliated with any of the Defendants during the Settlement Class Period; and the
6 legal representatives, agents, affiliates, heirs, successors-in-interest or assigns of any such
7 excluded party. Also excluded from the Settlement Class are any persons and entities who or
8 which exclude themselves by submitting a request for exclusion that is accepted by the Court.

9 2. **Class Findings** – Solely for purposes of the proposed Settlement of this Action,
10 the Court finds that each element required for certification of the Settlement Class pursuant to
11 Rule 23 of the Federal Rules of Civil Procedure has been met: (a) the members of the Settlement
12 Class are so numerous that their joinder in the Action would be impracticable; (b) there are
13 questions of law and fact common to the Settlement Class which predominate over any
14 individual questions; (c) the claims of Plaintiffs in the Action are typical of the claims of the
15 Settlement Class; (d) Plaintiffs and Lead Counsel have and will fairly and adequately represent
16 and protect the interests of the Settlement Class; and (e) a class action is superior to other
17 available methods for the fair and efficient adjudication of the Action.

18 3. The Court hereby finds and concludes that pursuant to Rule 23 of the Federal
19 Rules of Civil Procedure, and for the purposes of the Settlement only, Plaintiffs Painters &
20 Allied Trades District Council No. 35 Pension and Annuity Funds and Bakers Local No. 433
21 Pension Fund are adequate class representatives and certifies them as Class Representatives for
22 the Settlement Class. The Court also appoints Lead Counsel as Class Counsel for the Settlement
23 Class, pursuant to Rule 23(g) of the Federal Rules of Civil Procedure.

24 4. **Preliminary Approval of the Settlement** – The Court hereby preliminarily
25 approves the Settlement, as embodied in the Stipulation, as being fair, reasonable and adequate
26

1 to the Settlement Class, subject to further consideration at the Settlement Hearing to be
2 conducted as described below.

3 5. **Settlement Hearing** – The Court will hold a settlement hearing (the “Settlement
4 Hearing”) on _____, 201__ at __:__ .m. in the United States Courthouse, 1717
5 Pacific Avenue, Courtroom ____, Tacoma, WA 98402-3200, for the following purposes: (a) to
6 determine whether the proposed Settlement on the terms and conditions provided for in the
7 Stipulation is fair, reasonable and adequate to the Settlement Class, and should be approved by
8 the Court; (b) to determine whether a Judgment substantially in the form attached as Exhibit B to
9 the Stipulation should be entered dismissing the Action with prejudice against Defendants; (c) to
10 determine whether the proposed Plan of Allocation for the proceeds of the Settlement is fair and
11 reasonable and should be approved; (d) to determine whether the motion by Lead Counsel for an
12 award of attorneys’ fees and reimbursement of Litigation Expenses should be approved; and (e)
13 to consider any other matters that may properly be brought before the Court in connection with
14 the Settlement. Notice of the Settlement and the Settlement Hearing shall be given to Settlement
15 Class Members as set forth in paragraph 7 of this Order.

16 6. The Court may adjourn the Settlement Hearing without further notice to the
17 Settlement Class, and may approve the proposed Settlement with such modifications as the
18 Parties may agree to, if appropriate, without further notice to the Settlement Class.

19 7. **Retention of Claims Administrator and Manner of Giving Notice** – Lead
20 Counsel is hereby authorized to retain the Garden City Group, LLC (the “Claims Administrator”)
21 to supervise and administer the notice procedure in connection with the proposed Settlement as
22 well as the processing of Claims as more fully set forth below. Notice of the Settlement and the
23 Settlement Hearing shall be given by Lead Counsel as follows:

24 (a) within five (5) business days of the date of entry of this Order, Barrett
25 shall provide or cause to be provided to the Claims Administrator in electronic format (at no cost
26 to the Settlement Fund, Lead Counsel or the Claims Administrator) its security lists (consisting

1 of names and addresses) of the holders of Barrett common stock during the Settlement Class
2 Period;

3 (b) not later than ten (10) business days after the date of entry of this Order
4 (the “Notice Date”), the Claims Administrator shall cause a copy of the Notice and the Claim
5 Form, substantially in the forms attached hereto as Exhibits 1 and 2, respectively (the “Notice
6 Packet”), to be mailed by first-class mail to potential Settlement Class Members at the addresses
7 set forth in the records provided by Barrett or in the records which Barrett causes to be provided,
8 or who otherwise may be identified through further reasonable effort;

9 (c) contemporaneously with the mailing of the Notice Packet, the Claims
10 Administrator shall cause copies of the Notice and the Claim Form to be posted on a website to
11 be developed for the Settlement, from which copies of the Notice and Claim Form can be
12 downloaded;

13 (d) not later than ten (10) business days after the Notice Date, the Claims
14 Administrator shall cause the Summary Notice, substantially in the form attached hereto as
15 Exhibit 3, to be published once in *Investors’ Business Daily* and to be transmitted once over the
16 *PR Newswire*; and

17 (e) not later than seven (7) calendar days prior to the Settlement Hearing,
18 Lead Counsel shall serve on Defendants’ Counsel and file with the Court proof, by affidavit or
19 declaration, of such mailing and publication.

20 8. **Approval of Form and Content of Notice** – The Court (a) approves, as to form
21 and content, the Notice, the Claim Form, and the Summary Notice, attached hereto as Exhibits
22 A-1, A-2, and A-3, respectively, and (b) finds that the mailing and distribution of the Notice and
23 Claim Form and the publication of the Summary Notice in the manner and form set forth
24 in paragraph 7 of this Order (i) is the best notice practicable under the circumstances;
25 (ii) constitutes notice that is reasonably calculated, under the circumstances, to apprise
26 Settlement Class Members of the pendency of the Action, of the effect of the proposed

1 Settlement (including the Releases to be provided thereunder), of Lead Counsel’s motion for an
2 award of attorneys’ fees and reimbursement of Litigation Expenses, of their right to object to the
3 Settlement, the Plan of Allocation and/or Lead Counsel’s motion for attorneys’ fees and
4 reimbursement of Litigation Expenses, of their right to exclude themselves from the Settlement
5 Class, and of their right to appear at the Settlement Hearing; (iii) constitutes due, adequate and
6 sufficient notice to all persons and entities entitled to receive notice of the proposed Settlement;
7 and (iv) satisfies the requirements of Rule 23 of the Federal Rules of Civil Procedure, the United
8 States Constitution (including the Due Process Clause), the Private Securities Litigation Reform
9 Act of 1995, 15 U.S.C. § 78u-4, as amended, and all other applicable law and rules. The date
10 and time of the Settlement Hearing shall be included in the Notice and Summary Notice before
11 they are mailed and published, respectively.

12 9. **Nominee Procedures** – Brokers and other nominees who purchased or otherwise
13 acquired Barrett common stock during the Settlement Class Period for the benefit of another
14 person or entity shall (a) within seven (7) calendar days of receipt of the Notice, request from the
15 Claims Administrator sufficient copies of the Notice Packet to forward to all such beneficial
16 owners and within seven (7) calendar days of receipt of those Notice Packets forward them to all
17 such beneficial owners; or (b) within seven (7) calendar days of receipt of the Notice, send a list
18 of the names and addresses of all such beneficial owners to the Claims Administrator in which
19 event the Claims Administrator shall promptly mail the Notice Packet to such beneficial owners.
20 Upon full compliance with this Order, such nominees may seek reimbursement of their
21 reasonable expenses actually incurred in complying with this Order by providing the Claims
22 Administrator with proper documentation supporting the expenses for which reimbursement is
23 sought. Such properly documented expenses incurred by nominees in compliance with the terms
24 of this Order shall be paid from the Settlement Fund, with any disputes as to the reasonableness
25 or documentation of expenses incurred subject to review by the Court.

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1 10. **Participation in the Settlement** – Settlement Class Members who wish to
2 participate in the Settlement and to be potentially eligible to receive a distribution from the Net
3 Settlement Fund must complete and submit a Claim Form in accordance with the instructions
4 contained therein. Unless the Court orders otherwise, all Claim Forms must be postmarked no
5 later than one hundred twenty (120) calendar days after the Notice Date. Notwithstanding the
6 foregoing, Lead Counsel may, at its discretion, accept for processing late Claims provided such
7 acceptance does not delay the distribution of the Net Settlement Fund to the Settlement Class.
8 By submitting a Claim, a person or entity shall be deemed to have submitted to the jurisdiction of
9 the Court with respect to his, her or its Claim and the subject matter of the Settlement.

10 11. Each Claim Form submitted must satisfy the following conditions: (a) it must be
11 properly completed, signed and submitted in a timely manner in accordance with the provisions
12 of the preceding paragraph; (b) it must be accompanied by adequate supporting documentation
13 for the transactions and holdings reported therein, in the form of broker confirmation slips,
14 broker account statements, an authorized statement from the broker containing the transactional
15 and holding information found in a broker confirmation slip or account statement, or such other
16 documentation as is deemed adequate by Lead Counsel or the Claims Administrator; (c) if the
17 person executing the Claim Form is acting in a representative capacity, a certification of his, her
18 or its current authority to act on behalf of the Settlement Class Member must be included in the
19 Claim Form to the satisfaction of Lead Counsel or the Claims Administrator; and (d) the Claim
20 Form must be complete and contain no material deletions or modifications of any of the printed
21 matter contained therein and must be signed under penalty of perjury.

22 12. Any Settlement Class Member that does not timely and validly submit a Claim
23 Form or whose Claim is not otherwise approved by the Court: (a) shall be deemed to have
24 waived his, her or its right to share in the Net Settlement Fund; (b) shall be forever barred from
25 participating in any distributions therefrom; (c) shall be bound by the provisions of the
26 Stipulation and the Settlement and all proceedings, determinations, orders and judgments in the

1 Action relating thereto, including, without limitation, the Judgment or Alternate Judgment, if
2 applicable, and the Releases provided for therein, whether favorable or unfavorable to the
3 Settlement Class; and (d) will be barred from commencing, maintaining or prosecuting any of
4 the Released Plaintiffs' Claims against each and all of the Defendants' Releasees, as more fully
5 described in the Stipulation and Notice. Notwithstanding the foregoing, late Claim Forms may
6 be accepted for processing as set forth in paragraph 10 above.

7 13. **Exclusion From the Settlement Class** – Any member of the Settlement Class
8 who wishes to exclude himself, herself or itself from the Settlement Class must request exclusion
9 in writing within the time and in the manner set forth in the Notice, which shall provide that:
10 (a) any such request for exclusion from the Settlement Class must be mailed or delivered such
11 that it is received no later than twenty-one (21) calendar days prior to the Settlement Hearing, to:
12 *In re Barrett Business Services Securities Litigation*, EXCLUSIONS, c/o Garden City Group
13 LLC, P.O. Box 35133, Seattle, WA 98124-5133; and (b) each request for exclusion must (i) state
14 the name, address, and telephone number of the person or entity requesting exclusion, and in the
15 case of entities, the name and telephone number of the appropriate contact person; (ii) state that
16 such person or entity “requests exclusion from the Settlement Class in *In re Barrett Business*
17 *Services Securities Litigation*, Case No. 14-cv-5884”; (iii) state the number of shares of Barrett
18 common stock that the person or entity requesting exclusion held as of the beginning of the
19 Settlement Class Period, and the number of shares that the person or entity requesting exclusion
20 purchased/acquired and/or sold during the Settlement Class Period, as well as the dates and
21 prices of each such purchase/acquisition and sale; and (iv) be signed by the person or entity
22 requesting exclusion or an authorized representative. A request for exclusion shall not be
23 effective unless it provides all the required information and is received within the time stated
24 above, or is otherwise accepted by the Court.

25 14. Any person or entity who or which timely and validly requests exclusion in
26 compliance with the terms stated in this Order and is excluded from the Settlement Class shall

1 not be a Settlement Class Member, shall not be bound by the terms of the Settlement or any
2 orders or judgments in the Action and shall not receive any payment out of the Net Settlement
3 Fund.

4 15. Any Settlement Class Member who or which does not timely and validly request
5 exclusion from the Settlement Class in the manner stated in this Order: (a) shall be deemed to
6 have waived his, her or its right to be excluded from the Settlement Class; (b) shall be forever
7 barred from requesting exclusion from the Settlement Class in this or any other proceeding;
8 (c) shall be bound by the provisions of the Stipulation and Settlement and all proceedings,
9 determinations, orders and judgments in the Action, including, but not limited to, the Judgment
10 or Alternate Judgment, if applicable, and the Releases provided for therein, whether favorable or
11 unfavorable to the Settlement Class; and (d) will be barred from commencing, maintaining or
12 prosecuting any of the Released Plaintiffs' Claims against any of the Defendants' Releasees, as
13 more fully described in the Stipulation and Notice.

14 16. **Appearance and Objections at Settlement Hearing** – Any Settlement Class
15 Member who does not request exclusion from the Settlement Class may enter an appearance in
16 the Action, at his, her or its own expense, individually or through counsel of his, her or its own
17 choice, by filing with the Clerk of Court and delivering a notice of appearance to both Lead
18 Counsel and Defendants' Counsel, at the addresses set forth in paragraph 17 below, such that it is
19 received no later than twenty-one (21) calendar days prior to the Settlement Hearing, or as the
20 Court may otherwise direct. Any Settlement Class Member who does not enter an appearance
21 will be represented by Lead Counsel.

22 17. Any Settlement Class Member who does not request exclusion from the
23 Settlement Class may file a written objection to the proposed Settlement, the proposed Plan of
24 Allocation, and/or Lead Counsel's motion for an award of attorneys' fees and reimbursement of
25 Litigation Expenses and appear and show cause, if he, she or it has any cause, why the proposed
26 Settlement, the proposed Plan of Allocation and/or Lead Counsel's motion for attorneys' fees

1 and reimbursement of Litigation Expenses should not be approved; *provided, however*, that no
2 Settlement Class Member shall be heard or entitled to contest the approval of the terms and
3 conditions of the proposed Settlement, the proposed Plan of Allocation and/or the motion for
4 attorneys' fees and reimbursement of Litigation Expenses unless that person or entity has filed a
5 written objection with the Court and served copies of such objection on Lead Counsel and
6 representatives of Defendants' Counsel at the addresses set forth below such that they are
7 received no later than twenty-one (21) calendar days prior to the Settlement Hearing.

8 **Lead Counsel**

Representative of Defendants' Counsel

9 Bernstein Litowitz Berger
10 & Grossmann LLP
11 Timothy A. DeLange, Esq.
12 Niki L. Mendoza, Esq.
13 12481 High Bluff Drive, Suite 300
14 San Diego, CA 92130

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

14 18. Any objections, filings and other submissions by the objecting Settlement Class
15 Member: (a) must state the name, address, and telephone number of the person or entity
16 objecting and must be signed by the objector; (b) must contain a statement of the Settlement
17 Class Member's objection or objections, and the specific reasons for each objection, including
18 any legal and evidentiary support the Settlement Class Member wishes to bring to the Court's
19 attention; and (c) must include documents sufficient to prove membership in the Settlement
20 Class, including the number of Barrett common stock shares that the objecting Settlement Class
21 Member purchased/acquired and/or sold during the Settlement Class Period, as well as the dates
22 and prices of each such purchase/acquisition and sale, and the number of shares held at the
23 beginning of the Settlement Class Period. Objectors who enter an appearance and desire to
24 present evidence at the Settlement Hearing in support of their objection must include in their
25 written objection or notice of appearance the identity of any witnesses they may call to testify
26 and any exhibits they intend to introduce into evidence at the hearing.

1 19. Any Settlement Class Member who or which does not make his, her or its
2 objection in the manner provided herein shall be deemed to have waived his, her or its right to
3 object to any aspect of the proposed Settlement, the proposed Plan of Allocation, and Lead
4 Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses and
5 shall be forever barred and foreclosed from objecting to the fairness, reasonableness or adequacy
6 of the Settlement, the Plan of Allocation or the requested attorneys' fees and Litigation
7 Expenses, or from otherwise being heard concerning the Settlement, the Plan of Allocation or the
8 requested attorneys' fees and Litigation Expenses in this or any other proceeding.

9 20. **Stay** – Until otherwise ordered by the Court, the Court stays all proceedings in the
10 Action other than proceedings necessary to carry out or enforce the terms and conditions of the
11 Stipulation.

12 21. **Settlement Administration Fees and Expenses** – All reasonable costs incurred
13 in identifying Settlement Class Members and notifying them of the Settlement, as well as in
14 administering the Settlement, shall be paid as set forth in the Stipulation without further order of
15 the Court.

16 22. **Settlement Fund** – The contents of the Settlement Fund to be held by Valley
17 National Bank (which the Court approves as the Escrow Agent) shall be deemed to be in the
18 custody of the Court, and shall remain subject to the jurisdiction of the Court, until such time as
19 the funds shall be distributed or returned pursuant to the terms of the Stipulation and/or further
20 order(s) of the Court.

21 23. **Taxes** – Lead Counsel is authorized and directed to prepare any tax returns and
22 any other tax reporting form for or in respect to the Settlement Fund, to pay from the Settlement
23 Fund any Taxes owed with respect to the Settlement Fund, and to otherwise perform all
24 obligations with respect to Taxes and any reporting or filings in respect thereof without further
25 order of the Court in a manner consistent with the provisions of the Stipulation.

26

1 24. **Termination of Settlement** – If the Settlement is terminated as provided in the
2 Stipulation, the Settlement is not approved, or the Effective Date of the Settlement otherwise
3 fails to occur, this Order shall be vacated, rendered null and void and be of no further force and
4 effect, except as otherwise provided by the Stipulation, and this Order shall be without prejudice
5 to the rights of Plaintiffs, the other Settlement Class Members and Defendants, and the Parties
6 shall revert to their respective positions in the Action as of September 2, 2016, as provided in the
7 Stipulation.

8 25. **Use of this Order** – Neither this Order, the Stipulation (whether or not
9 consummated), including the exhibits thereto and the Plan of Allocation contained therein (or
10 any other plan of allocation that may be approved by the Court), the negotiations leading to the
11 execution of the Stipulation, nor any proceedings taken pursuant to or in connection with the
12 Stipulation and/or approval of the Settlement (including any arguments proffered in connection
13 therewith): (a) shall be offered against any of the Defendants’ Releasees as evidence of, or
14 construed as, or deemed to be evidence of any presumption, concession, or admission by any of
15 the Defendants’ Releasees with respect to the truth of any fact alleged by Plaintiffs or the validity
16 of any claim that was or could have been asserted or the deficiency of any defense that has been
17 or could have been asserted in this Action or in any other litigation, or of any liability,
18 negligence, fault, or other wrongdoing of any kind of any of the Defendants’ Releasees or in any
19 way referred to for any other reason as against any of the Defendants’ Releasees, in any civil,
20 criminal or administrative action or proceeding, other than such proceedings as may be necessary
21 to effectuate the provisions of the Stipulation; (b) shall be offered against any of the Plaintiffs’
22 Releasees, as evidence of, or construed as, or deemed to be evidence of any presumption,
23 concession or admission by any of the Plaintiffs’ Releasees that any of their claims are without
24 merit, that any of the Defendants’ Releasees had meritorious defenses, or that damages
25 recoverable under the Complaint would not have exceeded the Settlement Amount or with
26 respect to any liability, negligence, fault or wrongdoing of any kind, or in any way referred to for

1 any other reason as against any of the Plaintiffs' Releasees, in any civil, criminal or
2 administrative action or proceeding, other than such proceedings as may be necessary to
3 effectuate the provisions of the Stipulation; or (c) shall be construed against any of the Releasees
4 as an admission, concession, or presumption that the consideration to be given under the
5 Settlement represents the amount which could be or would have been recovered after trial;
6 *provided, however*, that if the Stipulation is approved by the Court, the Parties and the Releasees
7 and their respective counsel may refer to it to effectuate the protections from liability granted
8 thereunder or otherwise to enforce the terms of the Settlement.

9 26. **Supporting Papers** – Plaintiffs' Counsel shall file and serve the opening papers
10 in support of final approval of the proposed Settlement, the Plan of Allocation, and Lead
11 Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses no
12 later than thirty-five (35) calendar days prior to the Settlement Hearing; and reply papers, if any,
13 shall be filed and served no later than seven (7) calendar days prior to the Settlement Hearing.

14 27. The Court retains jurisdiction to consider all further applications arising out of or
15 connected with the proposed Settlement.

16 IT IS SO ORDERED.

17 Dated: _____, 2016

18
19 _____
BENJAMIN H. SETTLE
United States District Judge

20 Presented by:

21 Bradley S. Keller, WBSA #10665
22 John A. Tondini, WBSA #19092
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2 *and the Settlement class*

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13 *Lead Counsel for Lead Plaintiff and the Settlement Class*

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21 *Counsel for Named Plaintiff Bakers*
22 *Local No. 433 Pension Fund*

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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

EXHIBIT A-1

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**

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

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

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

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

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

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

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

32 2. **Statement of the Settlement Class's Recovery:** Subject to Court approval,
33 Plaintiffs, on behalf of themselves and the Settlement Class, have agreed to settle the Action in
34 exchange for a settlement payment of \$12 million in cash (the "Settlement Amount") to be
35 deposited into an escrow account. The Net Settlement Fund (*i.e.*, the Settlement Amount plus

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

39 ² Defendants Elich and Miller are referred to herein as the "Individual Defendants."

1 any and all interest earned thereon (the “Settlement Fund”) less (a) any Taxes, (b) any Notice
 2 and Administration Costs, (c) any Litigation Expenses awarded by the Court, and (d) any
 3 attorneys’ fees awarded by the Court) will be distributed in accordance with a plan of allocation
 4 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.

5 **3. Estimate of Average Amount of Recovery Per Share:** Based on Plaintiffs’
 6 damages expert’s estimates of the number of Barrett common stock purchased during the
 7 Settlement Class Period that may have been affected by the conduct at issue in the Action and
 8 assuming that all Settlement Class Members elect to participate in the Settlement, the estimated
 9 average recovery (before the deduction of any Court-approved fees, expenses and costs as
 10 described herein) per damaged common stock share is \$1.27. Settlement Class Members should
 11 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.

12 **4. Average Amount of Damages Per Share:** The Parties do not agree on the
 13 average amount of damages per share that would be recoverable if Plaintiffs were to prevail in
 14 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.

15 **5. Attorneys’ Fees and Expenses Sought:** Plaintiffs’ Counsel, which have been
 16 prosecuting the Action on a wholly contingent basis have not received any payment of attorneys’
 17 fees for their representation of the Settlement Class and have advanced the funds to pay expenses
 18 necessarily incurred to prosecute this Action. Court-appointed Lead Counsel, Bernstein Litowitz
 19 Berger & Grossmann LLP, will apply to the Court for an award of attorneys’ fees for all
 20 Plaintiffs’ Counsel in an amount not to exceed 22% of the Settlement Fund. In addition, Lead
 21 Counsel will apply for reimbursement of Litigation Expenses paid or incurred by Plaintiffs’
 22 Counsel in connection with the institution, prosecution and resolution of the claims against the
 23 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.

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

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:

<p>SUBMIT A CLAIM FORM POSTMARKED NO LATER THAN _____, 201_.</p>	<p>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.</p>
<p>EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION SO THAT IT IS RECEIVED NO LATER THAN _____, 201_.</p>	<p>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.</p>
<p>OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS RECEIVED NO LATER THAN _____, 201_.</p>	<p>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.</p>
<p>GO TO A HEARING ON _____, 201_ AT _____:____.M., AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS RECEIVED NO LATER THAN _____, 201_.</p>	<p>Filing a written objection and notice of intention to appear by _____, 201_, 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.</p>

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.

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

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

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

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

22 19. On January 5, 2016, and June 30, 2016, the Parties participated in in-person all-
23 day mediation sessions before an experienced mediator, Jed D. Melnick, Esq. of JAMS ADR. In
24 advance of each session, the Parties exchanged and submitted to Mediator Melnick detailed
25 mediation statements and exhibits, which addressed the issues of liability and damages. Both
26 sessions ended without any agreement being reached.

27 20. Over the course of the next few months following the second mediation, Mediator
28 Melnick conducted further discussions with the Parties in attempts to reach a resolution.
29 Mediator Melnick ultimately made a Mediator's Recommendation to settle the case for
30 \$12 million in cash, which the Parties separately accepted on September 2, 2016, subject to
31 certain terms and conditions and the execution of a customary "long form" stipulation and
32 agreement of settlement and related papers.

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

42 22. Defendants are entering into the Stipulation solely to eliminate the uncertainty,
43 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 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 _____, 20__, 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 17 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 _____, 20__.

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.

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

1 instructions in the section entitled, “What If I Do Not Want To Be A Member Of The Settlement
2 Class? How Do I Exclude Myself?,” below.

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

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

19 33. “Released Plaintiffs’ Claims” means all Causes of Action that Plaintiffs or any
20 other member of the Settlement Class: (i) asserted in the Complaint or in any petition or
21 complaint filed in any action consolidated into the Action as of the Effective Date; or (ii) could
22 have asserted in any forum against any of the Defendants or other Defendants’ Releasees that
23 arise out of or are based upon the allegations, transactions, facts, matters or occurrences,
24 representations or omissions involved, set forth, or referred to in the Complaint and that relate to
25 the purchase of Barrett common stock during the Settlement Class Period. Released Plaintiffs’
26 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

1 and trustees, in their capacities as such, and (iv) any insurance carriers of any or all of the
2 foregoing, in their capacities as such.

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

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

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

24 36. The Judgment will also provide that, upon the Effective Date of the Settlement,
25 Defendants, on behalf of themselves, and their respective heirs, executors, administrators,
26 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 _____, 201__**. 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 _____, 201__, 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

1 of any Judgment entered and the releases given. This means that each Settlement Class Member
 2 releases the Released Plaintiffs' Claims (as defined in ¶33 above) against the Defendants'
 3 Releasees (as defined in ¶34 above) and will be enjoined and prohibited from filing, prosecuting,
 4 or pursuing any of the Released Plaintiffs' Claims against any of the Defendants' Releasees
 5 whether or not such Settlement Class Member submits a Claim Form.

6 46. Participants in and beneficiaries of a plan covered by ERISA ("ERISA Plan")
 7 should NOT include any information relating to their transactions in Barrett common stock held
 8 through the ERISA Plan in any Claim Form that they may submit in this Action. They should
 9 include ONLY those shares that they purchased or acquired outside of the ERISA Plan. Claims
 10 based on any ERISA Plan's purchases or acquisitions of Barrett common stock during the
 11 Settlement Class Period may be made by the Plan's trustees. To the extent any of the Defendants
 12 or any of the other persons or entities excluded from the Settlement Class are participants in the
 13 ERISA Plan, such persons or entities shall not receive, either directly or indirectly, any portion of
 14 the recovery that may be obtained from the Settlement by the ERISA Plan.

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

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

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

PROPOSED PLAN OF ALLOCATION

26 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

1 Authorized Claimants against one another for the purposes of making *pro rata* allocations of the
2 Net Settlement Fund.

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

12 September 16, 2014 price decline:

13 \$9.22 per share

14 September 16, 2014, market adjusted price decline

15 October 29, 2014 price decline:

16 \$23.88 per share

17 October 29-30, 2014, market adjusted price decline

18 March 10, 2016 price decline:

19 \$9.59 per share

20 March 10-11, 2016, market adjusted price decline

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

23 **CALCULATION OF RECOGNIZED LOSS AMOUNTS**

24 54. Based on the formula set forth below, a “Recognized Loss Amount” shall be
25 calculated for each purchase or acquisition of Barrett common stock during the Settlement Class
26 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*:

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.

- 1 (i) the amount of artificial inflation per share as set forth in Table A
2 on the date of purchase, minus the amount of artificial inflation per
3 share as set forth in Table A on the date of the sale; or
- 4 (ii) purchase/acquisition price minus the sale price.
- 5 (b) Sold between March 10, 2016, and June 7, 2016, inclusive, the
6 Recognized Loss Amount shall be *the lesser of*:
- 7 (i) the amount of artificial inflation per share as set forth in Table A
8 on the date of purchase;
- 9 (ii) the purchase/acquisition price minus the sale price; or
- 10 (iii) the purchase price/acquisition price minus the average closing
11 price between March 10, 2016, and the date of sale as shown on
12 Table B set forth at the end of this Notice.
- 13 (c) Held as of the close of trading on June 7, 2016, the Recognized Loss
14 Amount shall be *the lesser of*:
- 15 (i) the amount of artificial inflation per share as set forth in Table A
16 on the date of purchase; or
- 17 (ii) the purchase/acquisition price minus \$30.21 per share, the average
18 closing price for Barrett common stock between March 10, 2016,
19 and June 7, 2016 (the last entry on Table B).⁴

ADDITIONAL PROVISIONS

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

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

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.

1 chronological order, beginning with the earliest purchase/acquisition made during the Settlement
2 Class Period.

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

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

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

23 60. The date of covering a "short sale" is deemed to be the date of purchase or
24 acquisition of the Barrett common stock. The date of a "short sale" is deemed to be the date of
25 sale of the Barrett common stock. Under the Plan of Allocation, however, the Recognized Loss
26 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.

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

1 Total Purchase Amount⁵ and (ii) the sum of the Total Sales Proceeds⁶ and Total Holding Value.⁷
 2 This difference shall be deemed a Claimant's market gain or loss with respect to his, her, or its
 3 overall transactions in Barrett common stock during the Settlement Class Period.

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

20 65. Payment pursuant to the Plan of Allocation, or such other plan of allocation as
 21 may be approved by the Court, shall be conclusive against all Authorized Claimants. No person
 22 shall have any claim against Plaintiffs, Plaintiffs' Counsel, Plaintiffs' damages expert,
 23 Defendants, Defendants' Counsel, or any of the other Releasees, or the Claims Administrator or
 24 other agent designated by Lead Counsel arising from distributions made substantially in
 25 accordance with the Stipulation, the plan of allocation approved by the Court, or further Orders
 26 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

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").

1 approve this plan as proposed or it may modify the Plan of Allocation without further notice to
 2 the Settlement Class. Any Orders regarding any modification of the Plan of Allocation will be
 posted on the settlement website, www.BarrettSecuritiesSettlement.com.

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

5 67. Plaintiffs’ Counsel have not received any payment for their services in pursuing
 6 claims against the Defendants on behalf of the Settlement Class, nor have Plaintiffs’ Counsel
 7 been reimbursed for their out-of-pocket expenses. Before final approval of the Settlement, Lead
 8 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
 9 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
 10 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.
 11 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.

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

14 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
 15 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
 16 35133, Seattle, WA 98124-5133. The exclusion request must be **received** no later than
 _____, 201__. You will not be able to exclude yourself from the Settlement Class
 17 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
 18 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
 19 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
 20 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
 21 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
 22 within the time stated above, or is otherwise accepted by the Court.

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

26 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 _____, 201__ at __:__.m., before the Honorable Benjamin H. Settle at the United States District Court for the Western District of Washington, United States Courthouse, Courtroom __, 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 _____, 201__. 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* _____, 20__.

<u>Clerk’s Office</u>	<u>Lead Counsel</u>	<u>Defendants’ Counsel</u>
<p>United States District Court Western District of Washington Clerk of the Court United States Courthouse 1717 Pacific Avenue Seattle, WA 98402-3200</p>	<p>Bernstein Litowitz Berger & Grossmann LLP Timothy A. DeLange, Esq. 12481 High Bluff Drive Suite 300 San Diego, CA 92130-3582</p>	<p>Miller Nash Graham & Dunn LLP Thomas C. Sand, Esq. 111 S.W. Fifth Avenue Suite 3400 Portland, OR 97204</p>

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

1 (*i.e.*, between February 12, 2013, and March 9, 2016, inclusive), as well as the dates and prices
2 of each such purchase/acquisition and sale. You may not object to the Settlement, the Plan of
3 Allocation or Lead Counsel’s motion for attorneys’ fees and reimbursement of Litigation
4 Expenses if you exclude yourself from the Settlement Class or if you are not a member of the
5 Settlement Class.

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

10 77. If you wish to be heard orally at the hearing in opposition to the approval of the
11 Settlement, the Plan of Allocation or Lead Counsel’s motion for an award of attorneys’ fees and
12 reimbursement of Litigation Expenses, and if you timely file and serve a written objection as
13 described above, you must also file a notice of appearance with the Clerk’s Office and serve it on
14 Lead Counsel and Defendants’ Counsel at the addresses set forth above so that it is **received on
15 or before _____, 201__**. Persons who intend to object and desire to present evidence
16 at the Settlement Hearing must include in their written objection or notice of appearance the
17 identity of any witnesses they may call to testify and exhibits they intend to introduce into
18 evidence at the hearing. Such persons may be heard orally at the discretion of the Court.

19 78. You are not required to hire an attorney to represent you in making written
20 objections or in appearing at the Settlement Hearing. However, if you decide to hire an attorney,
21 it will be at your own expense, and that attorney must file a notice of appearance with the Court
22 and serve it on Lead Counsel and Defendants’ Counsel at the addresses set forth in ¶74 above so
23 that the notice is **received on or _____, 201__**.

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

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

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

33 81. If you purchased or otherwise acquired any of the Barrett common stock between
34 February 12, 2013, and March 9, 2016, inclusive, for the beneficial interest of persons or
35 organizations other than yourself, you must either (a) within seven (7) calendar days of receipt of
36 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*,

1 c/o Garden City Group LLC, P.O. Box 35133, Seattle, WA 98124-5133. If you choose the
2 second option, the Claims Administrator will send a copy of the Notice and the Claim Form to
3 the beneficial owners. Upon full compliance with these directions, such nominees may seek
4 reimbursement of their reasonable expenses actually incurred, by providing the Claims
5 Administrator with proper documentation supporting the expenses for which reimbursement is
6 sought. Copies of this Notice and the Claim Form may also be obtained from the website
7 maintained by the Claims Administrator, www.BarrettSecuritiesSettlement.com, or by calling
8 the Claims Administrator toll-free at 1-866-224-5076.

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

7
8 82. This Notice contains only a summary of the terms of the proposed Settlement.
9 For more detailed information about the matters involved in this Action, you are referred to the
10 papers on file in the Action, including the Stipulation, which may be inspected during regular
11 office hours at the Office of the Clerk, United States District Court for the Western District of
12 Washington, United States Courthouse, 1717 Pacific Avenue, Seattle, WA 98402-3200.
13 Additionally, copies of the Stipulation and any related orders entered by the Court will be posted
14 on the website maintained by the Claims Administrator, www.BarrettSecuritiesSettlement.com.

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

13 *In re Barrett Business Services* and/or
14 *Securities Litigation*
15 c/o Garden City Group LLC
16 P.O. Box 35133

17 Seattle, WA 98124-5133
18 (866) 224-5076

19 www.BarrettSecuritiesSettlement.com

20 Timothy A. DeLange, Esq.
21 Niki L. Mendoza, Esq.
22 BERNSTEIN LITOWITZ BERGER
23 & GROSSMANN LLP
24 12481 High Bluff Drive, Suite 300
25 San Diego, CA 92130-3582
26 (866) 648-2524
blbg@blbglaw.com

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

21 Dated: _____, 20__

22 By Order of the Court
23 United States District Court
24 Western District of Washington

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

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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

EXHIBIT A-2

Must be
Postmarked
No Later Than

Barrett Business Services Securities Litigation
c/o GCG
P.O. Box 35133
Seattle, WA 98124-5133



Toll-Free: (866) 224-5076
Settlement Website: www.BarrettSecuritiesSettlement.com

Claim Number:

Control Number:

PROOF OF CLAIM AND RELEASE FORM

To be eligible to receive a share of the Net Settlement Fund in connection with the Settlement of this Action, you must complete and sign this Proof of Claim and Release Form ("Claim Form") and mail it by First-Class Mail to the above address, **postmarked no later than** _____.

Failure to submit your Claim Form by the date specified will subject your claim to rejection and may preclude you from being eligible to receive any money in connection with the Settlement.

Do not mail or deliver your Claim Form to the Court, the parties to the Action, or their counsel. Submit your Claim Form only to the Claims Administrator at the address set forth above.

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PART IV - RELEASE OF CLAIMS AND SIGNATURE	6-7

Important - This form should be completed *IN CAPITAL LETTERS* using *BLACK* or *DARK BLUE* ballpoint/fountain pen. Characters and marks used should be similar in style to the following:

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z 1 2 3 4 5 6 7 0



PART I - CLAIMANT INFORMATION

The Claims Administrator will use this information for all communications regarding this Claim Form. If this information changes, you MUST notify the Claims Administrator in writing at the address above.

Claimant Name(s) (as the name(s) should appear on check, if eligible for payment; if the securities are jointly owned, the names of all beneficial owners must be provided):

[Grid for Claimant Name(s)]

Name of Person the Claims Administrator Should Contact Regarding this Claim Form (Must Be Provided):

[Grid for Name of Person to Contact]

Mailing Address - Line 1: Street Address/P.O. Box:

[Grid for Mailing Address - Line 1]

Mailing Address - Line 2 (If Applicable): Apartment/Suite/Floor Number:

[Grid for Mailing Address - Line 2]

City:

[Grid for City]

State/Province:

[Grid for State/Province]

Zip Code:

[Grid for Zip Code]

Country:

[Grid for Country]

Last 4 digits of Claimant Social Security/Taxpayer Identification Number:¹

[Grid for Last 4 digits of SSN/TIN]

Daytime Telephone Number:

[Grid for Daytime Telephone Number]

Evening Telephone Number:

[Grid for Evening Telephone Number]

Email Address (Email address is not required, but if you provide it you authorize the Claims Administrator to use it in providing you with information relevant to this claim.):

[Grid for Email Address]

To view Garden City Group, LLC's Privacy Notice, please visit <http://www.gardencitygroup.com/privacy>

¹The last four digits of the taxpayer identification number (TIN), consisting of a valid Social Security Number (SSN) for individuals or Employer Identification Number (EIN) for business entities, trusts, estates, etc., and the telephone number of the beneficial owner(s) may be used in verifying this claim.



PART II - GENERAL INSTRUCTIONS

1. It is important that you completely read and understand the 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 (the "Notice") that accompanies this Claim Form, including the Plan of Allocation of the Net Settlement Fund set forth in the Notice. The Notice describes the proposed Settlement, how Settlement Class Members are affected by the Settlement, and the manner in which the Net Settlement Fund will be distributed if the Settlement and Plan of Allocation are approved by the Court. The Notice also contains the definitions of many of the defined terms (which are indicated by initial capital letters) used in this Claim Form. By signing and submitting this Claim Form, you will be certifying that you have read and that you understand the Notice, including the terms of the releases described therein and provided for herein.

2. By submitting this Claim Form, you will be making a request to share in the proceeds of the Settlement described in the Notice. **IF YOU ARE NOT A SETTLEMENT CLASS MEMBER** (see the definition of the Settlement Class on page 7 of the Notice, which sets forth who is included in and who is excluded from the Settlement Class), **OR IF YOU, OR SOMEONE ACTING ON YOUR BEHALF, SUBMITTED A REQUEST FOR EXCLUSION FROM THE SETTLEMENT CLASS, DO NOT SUBMIT A CLAIM FORM. YOU MAY NOT, DIRECTLY OR INDIRECTLY, PARTICIPATE IN THE SETTLEMENT IF YOU ARE NOT A SETTLEMENT CLASS MEMBER.** **THUS, IF YOU ARE EXCLUDED FROM THE SETTLEMENT CLASS, ANY CLAIM FORM THAT YOU SUBMIT, OR THAT MAY BE SUBMITTED ON YOUR BEHALF, WILL NOT BE ACCEPTED.**

3. **Submission of this Claim Form does not guarantee that you will share in the proceeds of the Settlement. The distribution of the Net Settlement Fund will be governed by the Plan of Allocation set forth in the Notice, if it is approved by the Court, or by such other plan of allocation as the Court approves.**

4. Use the Schedule of Transactions in Part III of this Claim Form to supply all required details of your transaction(s) (including free transfers and deliveries) in and holdings of Barrett common stock. On this schedule, please provide all of the requested information with respect to your holdings, purchases, acquisitions, and sales of Barrett common stock, whether such transactions resulted in a profit or a loss. **Failure to report all transaction and holding information during the requested time period may result in the rejection of your claim.**

5. Only Barrett common stock purchased or otherwise acquired during the Settlement Class Period (i.e., from February 12, 2013 through March 9, 2016, inclusive) is eligible under the Settlement. However, under the Plan of Allocation set forth in the Notice, your sales of Barrett common stock during the Settlement Class Period and the "90-day look-back period" (i.e., from March 10, 2016 through June 7, 2016, inclusive) will be used for purposes of calculating your claim. Therefore, in order for the Claims Administrator to be able to balance your claim, the requested purchase/acquisition information during the additional period beginning after the close of trading on March 10, 2016 through June 7, 2016, inclusive, must also be provided.

6. You are required to submit genuine and sufficient documentation for all of your transactions in and holdings of Barrett common stock set forth in the Schedule of Transactions in Part III of this Claim Form. Documentation may consist of copies of brokerage confirmation slips or monthly brokerage account statements (if you are not submitting the complete monthly statement, please be sure to send every page of the statement that contains positions and transaction information for Barrett common stock), or an authorized statement from your broker containing the transactional and holding information found in a broker confirmation slip or account statement. Your supporting documentation must include the page of the document setting forth the name of the claimant. The Parties and the Claims Administrator do not independently have information about your investments in Barrett common stock. **IF SUCH DOCUMENTS ARE NOT IN YOUR POSSESSION, PLEASE OBTAIN COPIES OR EQUIVALENT DOCUMENTS FROM YOUR BROKER. FAILURE TO SUPPLY THIS DOCUMENTATION MAY RESULT IN THE REJECTION OF YOUR CLAIM. DO NOT SEND ORIGINAL DOCUMENTS. Please keep a copy of all documents that you send to the Claims Administrator. Also, please do not highlight any portion of the Claim Form or any supporting documents.**

7. Separate Claim Forms should be submitted for each separate legal entity (e.g., a claim from joint owners should not include separate transactions of just one of the joint owners, and an individual should not combine his or her IRA transactions with transactions made solely in the individual's name). Conversely, a single Claim Form should be submitted on behalf of one legal entity including all transactions made by that entity on one Claim Form, no matter how many separate accounts that entity has (e.g., a corporation with multiple brokerage accounts should include all transactions made in all accounts on one Claim Form).

8. All joint beneficial owners must each sign this Claim Form and their names must appear as "Claimants" in Part I of this Claim Form. If you purchased Barrett common stock during the Settlement Class Period and held the shares in your name, you are the beneficial owner as well as the record owner and you must sign this Claim Form to participate in the Settlement. If, however, you purchased Barrett common stock during the relevant time period and the securities were registered in the name of a third party, such as a nominee or brokerage firm, you are the beneficial owner of these shares, but the third party is the record owner. The beneficial owner, not the record owner, must sign this Claim Form to be eligible to participate in the Settlement.

9. Agents, executors, administrators, guardians, and trustees must complete and sign the Claim Form on behalf of persons or entities represented by them, and they must:

- (a) expressly state the capacity in which they are acting;

**PART II - GENERAL INSTRUCTIONS CONT'D**

(b) identify the name, account number, Social Security Number (or taxpayer identification number), address and telephone number of the beneficial owner of (or other person or entity on whose behalf they are acting with respect to) the Barrett common stock; and

(c) furnish herewith evidence of their authority to bind to the Claim Form the person or entity on whose behalf they are acting. (Authority to complete and sign a Claim Form cannot be established by stockbrokers demonstrating only that they have discretionary authority to trade securities in another person's accounts.)

10. By submitting a signed Claim Form, you will be swearing that you:

- (a) own(ed) the Barrett common stock you have listed in the Claim Form; or
- (b) are expressly authorized to act on behalf of the owner thereof.

11. By submitting a signed Claim Form, you will be swearing to the truth of the statements contained therein and the genuineness of the documents attached thereto, subject to penalties of perjury under the laws of the United States of America. The making of false statements, or the submission of forged or fraudulent documentation, will result in the rejection of your claim and may subject you to civil liability or criminal prosecution.

12. If the Court approves the Settlement, payments to eligible Authorized Claimants pursuant to the Plan of Allocation (or such other plan of allocation as the Court approves) will be made after any appeals are resolved, and after the completion of all claims processing. The claims process will take substantial time to complete fully and fairly. Please be patient.

13. **PLEASE NOTE:** As set forth in the Plan of Allocation, each Authorized Claimant shall receive his, her or its *pro rata* share of the Net Settlement Fund. If the prorated payment to any Authorized Claimant calculates to less than \$10.00, it will not be included in the calculation and no distribution will be made to that Authorized Claimant.

14. If you have questions concerning the Claim Form, or need additional copies of the Claim Form or the Notice, you may contact the Claims Administrator, GCG, at the above address, by toll-free phone at (866) 224-5076, or you can visit the Settlement website, www.BarrettSecuritiesSettlement.com, where copies of the Claim Form and Notice are available for downloading.

15. **NOTICE REGARDING ELECTRONIC FILES:** Certain claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. To obtain the mandatory electronic filing requirements and file layout, you may visit the settlement website at www.BarrettSecuritiesSettlement.com or you may email the Claims Administrator's electronic filing department at eclaim@gardencitygroup.com. Any file not in accordance with the required electronic filing format will be subject to rejection. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues an email to that effect after processing your file with your Claim Numbers and respective account information. **Do not assume that your file has been received or processed until you receive this email. If you do not receive such an email within 10 days of your submission, you should contact the electronic filing department at eclaim@gardencitygroup.com to inquire about your file and confirm it was received and acceptable.**

IMPORTANT: PLEASE NOTE

YOUR CLAIM IS NOT DEEMED FILED UNTIL YOU RECEIVE AN ACKNOWLEDGEMENT POSTCARD. THE CLAIMS ADMINISTRATOR WILL ACKNOWLEDGE RECEIPT OF YOUR CLAIM FORM BY MAIL, WITHIN 60 DAYS. IF YOU DO NOT RECEIVE AN ACKNOWLEDGEMENT POSTCARD WITHIN 60 DAYS, PLEASE CALL THE CLAIMS ADMINISTRATOR TOLL FREE AT (866) 224-5076.



PART III - SCHEDULE OF TRANSACTIONS IN BARRETT COMMON STOCK

Please be sure to include proper documentation with your Claim Form as described in detail in Part II – General Instructions, Paragraph 6, above. Do not include information regarding securities other than Barrett common stock.

1. HOLDINGS AS OF FEBRUARY 12, 2013 – State the total number of shares of Barrett common stock held as of the opening of trading on February 12, 2013. (Must be documented.) If none, write “zero” or “0.”	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	Confirm Proof of Position Enclosed <input type="checkbox"/>		
2. PURCHASES/ACQUISITIONS FROM FEBRUARY 12, 2013 THROUGH MARCH 9, 2016 – Separately list each and every purchase/acquisition (including free receipts) of Barrett common stock from after the opening of trading on February 12, 2013 through and including the close of trading on March 9, 2016. (Must be documented.)				
Date of Purchase/Acquisition (List Chronologically) (Month/Day/Year)	Number of Shares Purchased/Acquired	Purchase/Acquisition Price Per Share	Total Purchase/Acquisition Price (excluding taxes, commissions, and fees)	Confirm Proof of Purchase/Acquisition Enclosed
<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/>
<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/>
<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/>
<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/>
3. PURCHASES/ACQUISITIONS FROM AFTER THE CLOSE ON MARCH 9, 2016 THROUGH JUNE 7, 2016 – State the total number of shares of Barrett common stock purchased/acquired (including free receipts) from after the close of trading on March 9, 2016 through and including the close of trading on June 7, 2016. If none, write “zero” or “0.” ²				<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
4. SALES FROM FEBRUARY 12, 2013 THROUGH JUNE 7, 2016 – Separately list each and every sale/disposition (including free deliveries) of Barrett common stock from after the opening of trading on February 12, 2013 through and including the close of trading on June 7, 2016. (Must be documented.)				
Date of Sale (List Chronologically) (Month/Day/Year)	Number of Shares Sold	Sale Price Per Share	Total Sale Price (excluding taxes, commissions, and fees)	Confirm Proof of Sale Enclosed
<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/>
<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/>
<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/>
<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/>
5. HOLDINGS AS OF JUNE 7, 2016 – State the total number of shares of Barrett common stock held as of the close of trading on June 7, 2016. (Must be documented.) If none, write “zero” or “0.”				<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
				Confirm Proof of Position Enclosed <input type="checkbox"/>

² **Please note:** Information requested with respect to your purchases/acquisitions of Barrett common stock from after the close of trading on March 9, 2016 through and including the close of trading on June 7, 2016 is needed in order to balance your claim; purchases/acquisitions during this period, however, are not eligible under the Settlement and will not be used for purposes of calculating your Recognized Claim pursuant to the Plan of Allocation.

IF YOU REQUIRE ADDITIONAL SPACE FOR THE SCHEDULE ABOVE, ATTACH EXTRA SCHEDULES IN THE SAME FORMAT. PRINT THE BENEFICIAL OWNER’S FULL NAME AND LAST FOUR DIGITS OF SOCIAL SECURITY/TAXPAYER IDENTIFICATION NUMBER ON EACH ADDITIONAL PAGE. IF YOU DO ATTACH EXTRA SCHEDULES, CHECK THIS BOX

**PART IV – RELEASE OF CLAIMS AND SIGNATURE****YOU MUST ALSO READ THE RELEASE AND CERTIFICATION BELOW AND SIGN ON PAGE 7 OF THIS CLAIM FORM.**

I (we) hereby acknowledge that, pursuant to the terms set forth in the Stipulation, without further action by anyone, upon the Effective Date of the Settlement, I (we), on behalf of myself (ourselves) and my (our) 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 Plaintiffs' Claim (including, without limitation, any Unknown Claims) against the Defendants and the other Defendants' Releasees, and shall forever be barred and enjoined from prosecuting any or all of the Released Plaintiffs' Claims against any of the Defendants' Releasees.

CERTIFICATION

By signing and submitting this Claim Form, the claimant(s) or the person(s) who represent(s) the claimant(s) agree(s) to the release above and certifies (certify) as follows:

1. that I (we) have read and understand the contents of the Notice and this Claim Form, including the releases provided for in the Settlement and the terms of the Plan of Allocation;
2. that the claimant(s) is a (are) Settlement Class Member(s), as defined in the Notice, and is (are) not excluded by definition from the Settlement Class as set forth in the Notice;
3. that the claimant(s) has (have) **not submitted** a request for exclusion from the Settlement Class;
4. that I (we) own(ed) the Barrett common stock identified in the Claim Form and have not assigned the claim against any of the Defendants or any of the other Defendants' Releasees to another, or that, in signing and submitting this Claim Form, I (we) have the authority to act on behalf of the owner(s) thereof;
5. that the claimant(s) has (have) not submitted any other claim covering the same purchases/acquisitions of Barrett common stock and knows (know) of no other person having done so on the claimant's (claimants') behalf;
6. that the claimant(s) submit(s) to the jurisdiction of the Court with respect to claimant's (claimants') claim and for purposes of enforcing the releases set forth herein;
7. that I (we) agree to furnish such additional information with respect to this Claim Form as Lead Counsel, the Claims Administrator or the Court may require;
8. that the claimant(s) waive(s) the right to trial by jury, to the extent it exists, and agree(s) to the Court's summary disposition of the determination of the validity or amount of the claim made by this Claim Form;
9. that I (we) acknowledge that the claimant(s) will be bound by and subject to the terms of any judgment(s) that may be entered in the Action; and
10. that the claimant(s) is (are) NOT subject to backup withholding under the provisions of Section 3406(a) (1)(C) of the Internal Revenue Code because (a) the claimant(s) is (are) exempt from backup withholding or (b) the claimant(s) has (have) not been notified by the IRS that he/she/it is subject to backup withholding as a result of a failure to report all interest or dividends or (c) the IRS has notified the claimant(s) that he/she/it is no longer subject to backup withholding. **If the IRS has notified the claimant(s) that he/she/it is subject to backup withholding, please strike out the language in the preceding sentence indicating that the claim is not subject to backup withholding in the certification above.**



PART IV – RELEASE OF CLAIMS AND SIGNATURE CONT'D

UNDER THE PENALTIES OF PERJURY, I (WE) CERTIFY THAT ALL OF THE INFORMATION PROVIDED BY ME (US) ON THIS CLAIM FORM IS TRUE, CORRECT, AND COMPLETE, AND THAT THE DOCUMENTS SUBMITTED HEREWITH ARE TRUE AND CORRECT COPIES OF WHAT THEY PURPORT TO BE.

Signature of Claimant

Date

Print Your Name Here

Signature of Joint Claimant, if any

Date

Print Your Name Here

If the claimant is other than an individual, or is not the person completing this form, the following also must be provided:

Signature of Person Signing on Behalf of Claimant

Date

Print Your Name Here

Capacity of person signing on behalf of claimant, if other than an individual, e.g., executor, president, trustee, custodian, etc. (Must provide evidence of authority to act on behalf of claimant – see paragraph 9 on pages 3-4 of this Claim Form.)

**REMINDER CHECKLIST**

1. Please sign the above release and certification. If this Claim Form is being made on behalf of joint claimants, then both must sign.
2. Remember to attach only **copies** of acceptable supporting documentation as these documents will not be returned to you.
3. Please do not highlight any portion of the Claim Form or any supporting documents.
4. Keep copies of the completed Claim Form and documentation for your own records.
5. The Claims Administrator will acknowledge receipt of your Claim Form by mail, within 60 days. Your claim is not deemed filed until you receive an acknowledgement postcard. If you do not receive an acknowledgement postcard within 60 days, please call the Claims Administrator toll free at (866) 224-5076.
6. If your address changes in the future, or if this Claim Form was sent to an old or incorrect address, please send the Claims Administrator written notification of your new address. If you change your name, please inform the Claims Administrator.
7. If you have any questions or concerns regarding your claim, please contact the Claims Administrator at the address below, by toll-free phone at (866) 224-5076, or you may visit www.BarrettSecuritiesSettlement.com. Please DO NOT call Barrett or any of the other Defendants or their counsel with questions regarding your claim.

THIS CLAIM FORM MUST BE MAILED TO THE CLAIMS ADMINISTRATOR BY FIRST-CLASS MAIL, **POSTMARKED NO LATER THAN _____**, ADDRESSED AS FOLLOWS:

Barrett Business Services Securities Litigation
c/o GCG
P.O. Box 35133
Seattle, WA 98124-5133

A Claim Form received by the Claims Administrator shall be deemed to have been submitted when posted, if a postmark date on or before _____ is indicated on the envelope and it is mailed First Class, and addressed in accordance with the above instructions. In all other cases, a Claim Form shall be deemed to have been submitted when actually received by the Claims Administrator.

You should be aware that it will take a significant amount of time to fully process all of the Claim Forms. Please be patient and notify the Claims Administrator of any change of address.

The Honorable Benjamin H. Settle

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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

EXHIBIT A-3

SUMMARY NOTICE

This Document Relates To:

ALL ACTIONS.

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

6 **TO: All persons and entities who, during the period between February 12, 2013, and**
7 **March 9, 2016, inclusive, purchased or otherwise acquired the common stock of**
8 **Barrett Business Services, Inc. ("Barrett"), and were damaged thereby (the**
9 **"Settlement Class"):**

10 **PLEASE READ THIS NOTICE CAREFULLY, YOUR RIGHTS WILL BE AFFECTED**
11 **BY A CLASS ACTION LAWSUIT PENDING IN THIS COURT.**

12 YOU ARE HEREBY NOTIFIED, pursuant to Rule 23 of the Federal Rules of Civil
13 Procedure and an Order of the United States District Court for the Western District of
14 Washington, that the above-captioned litigation (the "Action") has been certified as a class action
15 on behalf of the Settlement Class, except for certain persons and entities who are excluded from
16 the Settlement Class by definition as set forth in the full printed Notice of (I) Pendency of Class
17 Action and Proposed Settlement; (II) Settlement Fairness Hearing; and (III) Motion for an
18 Award of Attorneys' Fees and Reimbursement of Litigation Expenses (the "Notice").

19 YOU ARE ALSO NOTIFIED that Plaintiffs in the Action have reached a proposed
20 settlement of the Action for \$12,000,000 in cash (the "Settlement"), that, if approved, will
21 resolve all claims in the Action.

22 A hearing will be held on _____, 201__, at __:__.m., before the Honorable
23 Benjamin H. Settle at the United States District Court for the Western District of Washington at
24 Tacoma, United States Courthouse, 1717 Pacific Avenue, Courtroom __, Tacoma, WA 98402-
25 3200, to determine (i) whether the proposed Settlement should be approved as fair, reasonable,
26 and adequate; (ii) whether the Action should be dismissed with prejudice against Defendants,
27 and the Releases specified and described in the Stipulation and Agreement of Settlement (and in
28 the Notice) should be granted; (iii) whether the proposed Plan of Allocation should be approved
29 as fair and reasonable; and (iv) whether Lead Counsel's application for an award of attorneys'
30 fees and reimbursement of expenses should be approved.

31 **If you are a member of the Settlement Class, your rights will be affected by the**
32 **pending Action and the Settlement, and you may be entitled to share in the Settlement**
33 **Fund.** If you have not yet received the Notice and Claim Form, you may obtain copies of these
34 documents by contacting the Claims Administrator at *In re Barrett Business Services Securities*
35 *Litigation*, c/o Garden City Group LLC, P.O. Box 35133, Seattle, WA 98124-5133, 1-866-224-
36 5076. Copies of the Notice and Claim Form can also be downloaded from the website
37 maintained by the Claims Administrator, www.BarrettSecuritiesSettlement.com.

38 If you are a member of the Settlement Class, in order to be potentially eligible to receive
39 a payment under the proposed Settlement, you must submit a Claim Form *postmarked* no later
40 than _____, 2017. If you are a Settlement Class Member and do not submit a proper
41 Claim Form, you will not be eligible to share in the distribution of the net proceeds of the

1 Settlement but you will nevertheless be bound by any judgments or orders entered by the Court
2 in the Action.

3 If you are a member of the Settlement Class and wish to exclude yourself from the
4 Settlement Class, you must submit a request for exclusion such that it is *received* no later than
5 _____, 201_, in accordance with the instructions set forth in the Notice. If you
6 properly exclude yourself from the Settlement Class, you will not be bound by any judgments or
7 orders entered by the Court in the Action and you will not be eligible to share in the proceeds of
8 the Settlement.

9 Any objections to the proposed Settlement, the proposed Plan of Allocation, or Lead
10 Counsel's motion for attorneys' fees and reimbursement of expenses, must be filed with the
11 Court and delivered to Lead Counsel and Defendants' Counsel such that they are *received* no
12 later than _____, 201_, in accordance with the instructions set forth in the Notice.

13 **Please do not contact the Court, the Clerk's office, Barrett, or its counsel regarding this
14 notice. All questions about this notice, the proposed Settlement, or your eligibility to
15 participate in the Settlement should be directed to Lead Counsel or the Claims
16 Administrator.**

17 Inquiries, other than requests for the Notice and Claim Form, should be made to Lead
18 Counsel:

19 BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP
20 Timothy DeLange, Esq.
21 Niki L. Mendoza, Esq.
22 12481 High Bluff Drive, Suite 300
23 San Diego, CA 92130
24 (866) 648-2524
25 blbg@blbglaw.com

26 Requests for the Notice and Claim Form should be made 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

By Order of the Court

The Honorable Benjamin H. Settle

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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

EXHIBIT B

This Document Relates To:

ALL ACTIONS.

**[PROPOSED] JUDGMENT
APPROVING CLASS ACTION
SETTLEMENT**

1 WHEREAS, a consolidated class action is pending in this Court entitled *In re Barrett*
2 *Business Services Securities Litigation*, Case No. 14-cv-5884 (the “Action”);

3 WHEREAS, (a) Lead Plaintiff Painters & Allied Trades District Council No. 35 Pension
4 and Annuity Funds (“Lead Plaintiff”) and named plaintiff Bakers Local No. 433 Pension Fund
5 (together with Lead Plaintiff, “Plaintiffs”), on behalf of themselves and the Settlement Class
6 (defined below); and (b) defendant Barrett Business Services, Inc. (“Barrett”), and defendants
7 Michael L. Elich (“Elich”) and James D. Miller (“Miller”) (together, “Individual Defendants”;
8 with Barrett, “Defendants”; and together with Plaintiffs, the “Parties”), have determined to settle
9 all claims asserted against Defendants in this Action with prejudice on the terms and conditions
10 set forth in the Stipulation and Agreement of Settlement (the “Stipulation”) that provides for a
11 complete dismissal with prejudice of the claims asserted against Defendants in the Action on the
12 terms and conditions set forth in the Stipulation, subject to approval of this Court (the
13 “Settlement”);

14 WHEREAS, unless otherwise defined herein, all capitalized words contained herein shall
15 have the same meanings as they have in the Stipulation;

16 WHEREAS, by Order dated _____, 201_ (the “Preliminary Approval Order”),
17 this Court: (a) preliminarily approved the Settlement; (b) certified the Settlement Class solely for
18 purposes of effectuating the Settlement; (c) ordered that notice of the proposed Settlement be
19 provided to potential Settlement Class Members; (d) provided Settlement Class Members with
20 the opportunity either to exclude themselves from the Settlement Class or to object to the
21 proposed Settlement; (e) approved of the proposed forms of notice of the Settlement; and (f)
22 scheduled a hearing regarding final approval of the Settlement;

24 WHEREAS, Lead Counsel has filed with the Court proof, by affidavit or declaration, of
25 such mailing and publication of the Notice and Summary Notice;

26 WHEREAS, due and adequate notice has been given to the Settlement Class;

1 WHEREAS, the Court conducted a hearing on _____, 201_ (the “Settlement
2 Hearing” or “Fairness Hearing”) to consider, among other things, (a) whether the terms and
3 conditions of the Settlement are fair, reasonable and adequate to the Settlement Class, and should
4 therefore be approved; and (b) whether a judgment should be entered dismissing the Action with
5 prejudice as against the Defendants; and

6 WHEREAS, the Court having reviewed and considered the Stipulation, all papers filed
7 and proceedings held herein in connection with the Settlement, all oral and written comments
8 received regarding the Settlement, and the record in the Action, and good cause appearing
9 therefor;

10 IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

11 1. **Jurisdiction** – The Court has jurisdiction over the subject matter of the Action,
12 and all matters relating to the Settlement, as well as personal jurisdiction over all of the Parties
13 and each of the Settlement Class Members.

14 2. **Incorporation of Settlement Documents** – This Judgment incorporates and
15 makes a part hereof: (a) the Stipulation filed with the Court; and (b) the Notice and the
16 Summary Notice, both of which were filed with the Court.

17 3. **Class Certification for Settlement Purposes** – The Court hereby affirms its
18 determinations in the Preliminary Approval Order certifying, for the purposes of the Settlement
19 only, the Action as a class action pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil
20 Procedure on behalf of the Settlement Class consisting of all persons and entities who purchased
21 or otherwise acquired Barrett common stock between February 12, 2013, and March 9, 2016,
22 inclusive (the “Settlement Class Period”), and were damaged thereby. Excluded from the
23 Settlement Class are Defendants; members of the Immediate Family of each of the Individual
24 Defendants; the Officers and/or directors of Barrett during the Settlement Class Period; any
25 person, firm, trust, corporation, Officer, director or other individual or entity in which any
26 Defendant has or had a controlling interest during the Settlement Class Period or which is or was

1 related to or affiliated with any of the Defendants during the Settlement Class Period; and the
2 legal representatives, agents, affiliates, heirs, successors-in-interest or assigns of any such
3 excluded party. [Also excluded from the Settlement Class are the persons and/or entities listed
4 on Exhibit 1 hereto who or which are excluded from the Settlement Class pursuant to request.]

5 4. **Adequacy of Representation** – Pursuant to Rule 23 of the Federal Rules of Civil
6 Procedure, and for purposes of the Settlement only, the Court hereby affirms its determinations
7 in the Preliminary Approval Order certifying Plaintiffs as Class Representatives for the
8 Settlement Class and appointing Lead Counsel as Class Counsel for the Settlement Class.
9 Plaintiffs and Lead Counsel have fairly and adequately represented the Settlement Class both in
10 terms of litigating the Action and for purposes of entering into and implementing the Settlement
11 and have satisfied the requirements of Federal Rules of Civil Procedure 23(a)(4) and 23(g),
12 respectively.

13 5. **Notice** – The Court finds that the dissemination of the Notice and the publication
14 of the Summary Notice: (a) were implemented in accordance with the Preliminary Approval
15 Order; (b) constituted the best notice practicable under the circumstances; (c) constituted notice
16 that was reasonably calculated, under the circumstances, to apprise Settlement Class Members of
17 (i) the pendency of the Action; (ii) the effect of the proposed Settlement (including the Releases
18 to be provided thereunder); (iii) Lead Counsel’s motion for an award of attorneys’ fees and
19 reimbursement of Litigation Expenses; (iv) their right to object to any aspect of the Settlement,
20 the Plan of Allocation and/or Lead Counsel’s motion for attorneys’ fees and reimbursement of
21 Litigation Expenses; (v) their right to exclude themselves from the Settlement Class; and (vi)
22 their right to appear at the Settlement Hearing; (d) constituted due, adequate, and sufficient
23 notice to all persons and entities entitled to receive notice of the proposed Settlement; and (e)
24 satisfied the requirements of Rule 23 of the Federal Rules of Civil Procedure, the United States
25 Constitution (including the Due Process Clause), the Private Securities Litigation Reform Act of
26 1995, 15 U.S.C. § 78u-4, as amended, and all other applicable law and rules.

1 6. **Final Settlement Approval and Dismissal of Claims** – Pursuant to, and in
2 accordance with, Rule 23 of the Federal Rules of Civil Procedure, this Court hereby fully and
3 finally approves the Settlement set forth in the Stipulation in all respects (including, without
4 limitation: the amount of the Settlement; the Releases provided for therein; and the dismissal
5 with prejudice of the claims asserted against Defendants in the Action), and finds that the
6 Settlement is, in all respects, fair, reasonable and adequate to the Settlement Class. The Parties
7 are directed to implement, perform and consummate the Settlement in accordance with the terms
8 and provisions contained in the Stipulation.

9 7. The Action and all of the claims asserted against Defendants in the Action by
10 Plaintiffs and the other Settlement Class Members are hereby dismissed with prejudice. The
11 Parties shall bear their own costs and expenses, except as otherwise expressly provided in the
12 Stipulation.

13 8. **Binding Effect** – The terms of the Stipulation and of this Judgment shall be
14 forever binding on Defendants, Plaintiffs and all other Settlement Class Members (regardless of
15 whether or not any individual Settlement Class Member submits a Claim Form or seeks or
16 obtains a distribution from the Net Settlement Fund), as well as their respective heirs, executors,
17 administrators, predecessors, successors and assigns, in their respective capacities as such. [The
18 persons and entities listed on Exhibit 1 hereto are excluded from the Settlement Class pursuant to
19 request and are not bound by the terms of the Stipulation or this Judgment.]

20 9. **Releases** – The Releases set forth in the Stipulation are expressly incorporated
21 herein in all respects. The Releases are effective as of the Effective Date. Accordingly, this
22 Court orders that:

23 (a) Without further action by anyone, and subject to paragraph 10 below,
24 upon the Effective Date of the Settlement, Plaintiffs and each of the other Settlement Class
25 Members, on behalf of themselves, and their respective heirs, executors, administrators,
26 predecessors, successors, and assigns in their capacities as such, shall be deemed to have, and by

1 operation of law and of this Judgment shall have, fully, finally and forever compromised, settled,
2 released, resolved, relinquished, waived and discharged each and every Released Plaintiffs’
3 Claim against each of the Defendants and all of the Defendants’ Releasees, and shall forever be
4 barred and enjoined from prosecuting any or all of the Released Plaintiffs’ Claims against any of
5 the Defendants or Defendants’ Releasees. This Release shall not apply to any of the Excluded
6 Claims (as that term is defined in the Stipulation).

7 (b) Without further action by anyone, and subject to paragraph 10 below,
8 upon the Effective Date of the Settlement, Defendants, on behalf of themselves, and their
9 respective heirs, executors, administrators, predecessors, successors, and assigns in their
10 capacities as such, shall be deemed to have, and by operation of law and of this Judgment shall
11 have, fully, finally and forever compromised, settled, released, resolved, relinquished, waived
12 and discharged each and every Released Defendants’ Claim against Plaintiffs and the other
13 Plaintiffs’ Releasees, and shall forever be barred and enjoined from prosecuting any or all of the
14 Released Defendants’ Claims against any of the Plaintiffs’ Releasees. [This Release shall not
15 apply to any person or entity listed on Exhibit 1 hereto.]

16 10. Notwithstanding paragraphs 9(a) – (b) above, nothing in this Judgment shall bar
17 any action by any of the Parties to enforce or effectuate the terms of the Stipulation or this
18 Judgment.

19 11. **Rule 11 Findings** – The Court finds and concludes that the Parties and their
20 respective counsel have complied in all respects with the requirements of Rule 11 of the Federal
21 Rules of Civil Procedure in connection with the initiation, prosecution, defense, and settlement
22 of the Action.

23 12. **No Admissions** – Neither this Judgment, the Stipulation (whether or not
24 consummated), including the exhibits thereto and the Plan of Allocation contained therein (or
25 any other plan of allocation that may be approved by the Court), the negotiations leading to the
26 execution of the Stipulation, nor any proceedings taken pursuant to or in connection with the

1 Stipulation and/or approval of the Settlement (including any arguments proffered in connection
2 therewith);

3 (a) shall be offered against any of the Defendants' Releasees as evidence of,
4 or construed as, or deemed to be evidence of any presumption, concession, or admission by any
5 of the Defendants' Releasees with respect to the truth of any fact alleged by Plaintiffs or the
6 validity of any claim that was or could have been asserted or the deficiency of any defense that
7 has been or could have been asserted in this Action or in any other litigation, or of any liability,
8 negligence, fault, or other wrongdoing of any kind of any of the Defendants' Releasees or in any
9 way referred to for any other reason as against any of the Defendants' Releasees, in any civil,
10 criminal or administrative action or proceeding, other than such proceedings as may be necessary
11 to effectuate the provisions of the Stipulation;

12 (b) shall be offered against any of the Plaintiffs' Releasees, as evidence of, or
13 construed as, or deemed to be evidence of any presumption, concession, or admission by any of
14 the Plaintiffs' Releasees that any of their claims are without merit, that any of the Defendants'
15 Releasees had meritorious defenses, or that damages recoverable under the Complaint would not
16 have exceeded the Settlement Amount or with respect to any liability, negligence, fault or
17 wrongdoing of any kind, or in any way referred to for any other reason as against any of the
18 Plaintiffs' Releasees, in any civil, criminal or administrative action or proceeding, other than
19 such proceedings as may be necessary to effectuate the provisions of the Stipulation; or

20 (c) shall be construed against any of the Releasees as an admission,
21 concession, or presumption that the consideration to be given hereunder represents the amount
22 which could be or would have been recovered after trial;

23 *provided, however,* that the Parties and the Releasees and their respective counsel may refer to
24 this Judgment and the Stipulation to effectuate the protections from liability granted hereunder
25 and thereunder or otherwise to enforce the terms of the Settlement.

26 13. **Retention of Jurisdiction** – Without affecting the finality of this Judgment in any

1 way, the Court retains continuing and exclusive jurisdiction over: (a) the Parties for purposes of
2 the administration, interpretation, implementation, and enforcement of the Settlement; (b) the
3 disposition of the Settlement Fund; (c) any motion for an award of attorneys' fees and/or
4 Litigation Expenses by Lead Counsel in the Action that will be paid from the Settlement Fund;
5 (d) any motion to approve the Plan of Allocation; (e) any motion to approve the Class
6 Distribution Order; and (f) the Settlement Class Members for all matters relating to the Action.

7 14. Separate orders shall be entered regarding approval of a plan of allocation and the
8 motion of Lead Counsel for an award of attorneys' fees and reimbursement of Litigation
9 Expenses. Such orders shall in no way affect or delay the finality of this Judgment, and shall not
10 affect or delay the Effective Date of the Settlement.

11 15. **Modification of the Agreement of Settlement** – Without further approval from
12 the Court, Lead Plaintiff and Defendants are hereby authorized to agree to and adopt such
13 amendments or modifications of the Stipulation or any exhibits attached thereto to effectuate the
14 Settlement that: (a) are not materially inconsistent with this Judgment; and (b) do not materially
15 limit the rights of Settlement Class Members in connection with the Settlement. Without further
16 order of the Court, Lead Plaintiff and Defendants may agree to reasonable extensions of time to
17 carry out any provisions of the Settlement.

18 16. **Termination of Settlement** – If the Settlement is terminated as provided in the
19 Stipulation or the Effective Date of the Settlement otherwise fails to occur, (a) this Judgment
20 shall be vacated, rendered null and void and be of no further force and effect, except as otherwise
21 provided by the Stipulation, and this Judgment shall be without prejudice to the rights of
22 Plaintiffs, other Settlement Class Members, and Defendants; (b) the Parties shall revert to their
23 respective positions in the Action as of September 2, 2016; and (c) the balance of the Settlement
24 Fund shall be refunded as provided in the Stipulation.

25 17. **Entry of Final Judgment** – There is no just reason to delay the entry of this
26 Judgment as a final judgment in this Action. Accordingly, the Clerk of the Court is expressly

1 directed to immediately enter this final judgment in this Action.

2 IT IS SO ORDERED.

3 Dated: _____, 201_

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BENJAMIN H. SETTLE
United States District Judge

6 Presented by:

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