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6 UNITED STATES DISTRICT COURT
7 WESTERN DISTRICT OF WASHINGTON
8 AT SEATTLE

9 BEREKET NUGUSSIE, *et al.*,

10 Plaintiffs,

11 v.

12 HMSHOST NORTH AMERICA,

13 Defendant.

NO. C16-0268RSL

ORDER REGARDING
OUTSTANDING SETTLEMENT
CHECKS

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15 This matter comes before the Court on a series of communications regarding the Court's
16 November 29, 2016, order directing defendant HMSHost North America to send a letter
17 notifying class members that it would stop payment on all uncashed settlement checks seven
18 days after the postmark date of the letter. Dkt. # 31. Defendant did not do so, instead requesting
19 that it be permitted to cancel the checks without notice. The Court did not grant that request, and
20 no further action was taken.

21 HMSHost has issued 2016 W-2s to the recipients of the uncashed settlement checks
22 (apparently including those whose checks were returned in the mail) that report the settlement
23 amounts as income to the recipients. On March 15, 2017, plaintiffs' counsel requested that
24 HMSHost issued updated W-2s that exclude the settlement check amounts. HMSHost has taken
25 the position that live, outstanding checks may be considered income in the year received even if
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ORDER REGARDING OUTSTANDING
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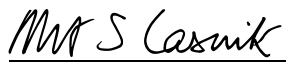
1 they are not cashed and has refused to re-issue the W-2s unless and until the uncashed checks are
2 cancelled. Having reviewed the communications from counsel and the remainder of the record, it
3 is hereby ORDERED that:

4 1. HMSHost shall immediately cancel the checks that are in its possession and issue
5 updated W-2s to those employees that excludes the settlement amounts. HMSHost shall include
6 a notification of and explanation for the change so that individuals who have already filed their
7 tax return can determine whether an amended return is warranted.

8 2. HMSHost shall immediately cancel the outstanding uncashed checks that are not in its
9 possession and issue updated W-2s to those employees that excludes the settlement amounts.
10 HMSHost shall include a notification of and explanation for the change so that individuals who
11 have already filed their tax return can determine whether an amended return is warranted.

12 3. Pursuant to the agreement of the parties, uncashed class members who cashed their
13 checks after November 29, 2016, are not bound by the settlement's terms.

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15 Dated this 5th day of April, 2017.

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18 Robert S. Lasnik
19 United States District Judge
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