

STIPULATION OF SETTLEMENT

This Stipulation of Settlement (“Settlement Agreement”) is reached by and between Plaintiff Jayvin Jacobs (“Plaintiff”), as an individual and on behalf of all members of the Settlement Class (defined below), on one hand, and Defendants RTI Systems, Inc. and RTI Systems PS (hereinafter “Defendants”), on the other hand. Plaintiff and Defendants are referred to herein collectively as the “Parties.” Plaintiff and the Settlement Class are represented by Paul K. Haines and Sean M. Blakely of Haines Law Group, APC (“Class Counsel”). Defendants are represented by Jeffrey Epstein of Law Offices of Jeffrey Epstein.

On October 23, 2020, Plaintiff filed a class action against Defendants in the matter entitled *Jayvin Jacobs v. RTI Systems, Inc., et al.*, Los Angeles County Superior Court Case No. 20STCV40907, asserting various wage and hour claims on a class-wide basis. On December 28, 2020, Plaintiff filed the operative First Amended Class and Representative Action Complaint (“FAC”). The FAC alleges the following causes of action: (1) failure to pay all overtime wages; (2) minimum wage violations; (3) meal period violations; (4) rest period violations; (5) wage statement penalties; (6) waiting time penalties; (7) unfair competition; and (8) civil penalties under the PAGA. The FAC and all claims alleged therein shall be referred to as the “Action.”

On or about April 21, 2021, Adrian Novoa filed a complaint against Defendants entitled *Adrian Novoa vs. RTI Systems PS and RTI Systems, Inc.*, Case No. 21STCV15236, (“Novoa lawsuit”) in the Superior Court of California for the County of Los Angeles for individual claims and as a representative on behalf of all similarly situated person for the same claims, and for the same time period, as were made in the Action. On or about June 16, 2021, Judge Highberger ruled that the two cases were related and assigned case number 20STCV409907 as the lead case.

On May 16, 2023, Judge Highberger ordered the dismissal of the individual claims in the Novoa lawsuit as a result of a settlement of those claims. The potential class members of the Novoa lawsuit are the same as in the Action.

Given the uncertainty of litigation, Plaintiff and Defendants wish to settle each individually and on behalf of the Settlement Class. Accordingly, Plaintiff and Defendants agree as follows:

1. **Settlement Class.** For the purposes of this Settlement Agreement only, Plaintiff and Defendants stipulate to the certification of the following Settlement Class:

All current and former non-exempt employees employed by Defendants
RTI Systems, Inc. and RTI Systems PS in California from April 6, 2016
until November 4, 2022 (the “Class Period”).

The Parties agree that certification for purposes of this Settlement Agreement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure or under Rule 23 of the Federal Rule of Civil Procedure. If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect in this matter or in any claims brought on the same or similar allegations, and the Parties shall revert to the respective positions they held prior to entering into the Settlement Agreement.

2. **Release by Settlement Class Members and Plaintiff.** Plaintiff and every member of the Settlement Class (except those who opt out and except as to the PAGA claims specified below) will fully release and discharge Defendants, and all of its past and present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, (collectively the “Released Parties”), as follows:

- A. Upon the Effective Date and the complete funding of the Gross Settlement Amount, Settlement Class members will release all claims, demands, rights, liabilities and causes of action that were pled in the Action, or which could have been pled in the Action, that arose during the Class Period, including: the failure to pay all minimum wages, the failure to pay all overtime wages, failure to authorize and permit rest periods, or premium pay for non-compliant rest periods, failure to provide proper meal periods, or premium pay for non-compliant meal periods, failure to furnish complete and accurate wage statements, and waiting time penalties, all related statutory claims including, but not limited to, alleged violations of California Labor Code sections 201-204, 226, 226.7, 510, 512, 516, 558, 1182.12, 1194, 1194.2, 1197, 1198, 1199, and California Business and Professions Code section 17200, *et. seq.*, the applicable Wage Order of the Industrial Welfare Commission, and all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories described above (the “Class Released Claims”). The period of the Class Released Claims shall extend to the limits of the Class Period.
- B. **Release of PAGA Claims.** In addition, all Settlement Class members (regardless of whether they opt out) who worked for Defendants at any time from October 23, 2019 through November 4, 2022 (the “PAGA Period”) are “Aggrieved Employees” and shall release the Released Parties from all claims for civil penalties under PAGA arising during the PAGA Period as disclosed in Plaintiff’s October 23, 2020 Notification Letter to the Labor and Workforce Development Agency (“LWDA”) (“the PAGA Released Claims”).
- C. **Plaintiff’s Released Claims.** Plaintiff will release any and all claims, obligations, demands, actions, rights, causes of action, and liabilities against the Released Parties (as defined above), of whatever kind and nature, character, and description, whether in law or equity, whether sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law, whether known or unknown, and whether anticipated or unanticipated, including unknown claims covered by Civil Code § 1542, by Plaintiff arising during the period from the beginning of the Plaintiff’s dates of employment with Defendants to the date on which the Court enters the Order of Preliminary Approval of this Settlement, for any type of relief, including, without limitation, claims for wages, damages, unpaid costs, penalties (including civil and waiting time penalties), liquidated damages, punitive damages, interest, attorneys’ fees, litigation costs, restitution, or equitable relief with the sole exception of any claims which cannot be released as a matter of law. Plaintiff’s Released Claims include but are not

limited to the Class Released Claims. Plaintiff's Released Claims exclude claims for workers' compensation or unemployment insurance benefits.

3. **Gross Settlement Amount.** As consideration, Defendants agree to pay a non-reversionary "Gross Settlement Amount" of Two Hundred Seventy-Five Thousand Dollars and Zero Cents (\$275,000.00) in full and complete settlement of the Action, as follows:

- A. The Parties have agreed to engage Phoenix Settlement Administrators as the "Settlement Administrator" to administer this Settlement.
- B. The Gross Settlement Amount shall be deposited as follows: Seventy-Five Thousand Dollars and Zero Cents (\$75,000.00) of the Gross Settlement Amount shall be deposited with the Settlement Administrator upon the signing of this Settlement Agreement. The remaining Two Hundred Thousand Dollars and Zero Cents (\$200,000.00) shall be paid out in 29 equal monthly installments of approximately \$6,896.55 (with the last payment being \$6,896.60), with each payment due on the first of the month.
- C. This is a non-reversionary settlement. The Gross Settlement Amount includes:
 - (1) All payments (including interest) to the Settlement Class;
 - (2) All costs of the Settlement Administrator and settlement administration, which are anticipated to be no greater than Twelve Thousand Dollars and Zero Cents (\$12,000.00);
 - (3) Up to Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) to Plaintiff, for Plaintiff's Class Representative Enhancement Award, in recognition of his contributions to the Lawsuit and his service to the Settlement Class. Even in the event that the Court reduces or does not approve the requested Class Representative Enhancement Award, Plaintiff shall not have the right to revoke this Settlement Agreement, and it will remain binding;
 - (4) Up to one-third of the Gross Settlement Amount in Class Counsel's attorneys' fees, plus actual costs and expenses incurred by Class Counsel related to the Lawsuit as supported by declaration, which are currently estimated to be no greater than Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00). In the event that the Court reduces or does not approve the requested Class Counsel attorneys' fees or costs, Class Counsel shall not have the right to revoke this Settlement Agreement, and it will remain binding; and
 - (5) Twenty Thousand Dollars and Zero Cents (\$20,000.00) of the Gross Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Fifteen Thousand Dollars and Zero Cents (\$15,000.00) will be payable to the Labor & Workforce Development Agency ("LWDA"), and

the remaining twenty-five percent (25%), or Five Thousand Dollars and Zero Cents (\$5,000.00), will be payable to certain Settlement Class members as the “PAGA Amount,” which PAGA Amount will be distributed as described below.

- (6) Any difference between these requested amounts and the amounts approved by the Court will revert to the Net Settlement Amount for the benefit of the Settlement Class members who do not opt out.

D. **Blow Up Clause.** The Parties and their counsel agree that they will not solicit or encourage individuals to opt out of the Settlement or to assert or pursue objections to the Settlement. However, if more than five percent (5%) of the Settlement Class members submit timely Requests for Exclusion, Defendants shall have the exclusive right to void this Settlement at its option. Defendants shall make its election within thirty (30) calendar days after the Settlement Administrator notifies the Parties of the number of Requests for Exclusion received, which the Settlement Administrator shall do within ten (10) calendar days after the Response Deadline. If Defendants exercise this right to rescind the Settlement, it shall pay all reasonable settlement administration costs incurred by the Settlement Administrator to that date.

E. **Escalator Clause.** The Gross Settlement Amount is based on Defendants’ representations that there are approximately 9,557 workweeks during the Class Period. If, at the time of preliminary approval, the number of workweeks has increased by 10% or more (i.e., if there are 10,513 or more workweeks), Defendants, at its option, can either choose to: (1) end the Class Period as of the date on which the number of workweeks reaches 10,513, or (2) increase the Gross Settlement Amount on a proportional basis equal to the percentage increase in number of workweeks worked by Settlement Class members above the 10% (i.e., if there was 11% increase in the number of workweeks during the Class Period, Defendants would agree to increase the Gross Settlement Amount by 1%).

F. Defendants’ share of payroll taxes shall be paid by Defendants separately from, and in addition to, the Gross Settlement Amount.

4. **Payments to the Settlement Class.** Settlement Class members are not required to submit a claim form to receive a payment (“Individual Settlement Award”) from the Settlement. Individual Settlement Awards will be determined and paid as follows:

A. The Settlement Administrator shall first deduct from the Gross Settlement Amount the amounts approved by the Court for Class Counsel’s attorneys’ fees, Class Counsel’s costs and expenses, Plaintiff’s Class Representative Enhancement Award, the amount set aside as PAGA civil penalties, and the Settlement Administrator’s fees and expenses for administration. The remaining amount shall be known as the “Net Settlement Amount.”

- B. From the Net Settlement Amount, the Settlement Administrator will calculate each Settlement Class member's Individual Settlement Award based on the following formula:
- i. Payments to all participating Settlement Class members: Eighty percent (80%) of the Net Settlement Amount will be distributed to all participating Settlement Class members based on each participating Settlement Class member's proportionate Workweeks worked during the Class Period, and will be calculated by multiplying 80% of the Net Settlement Amount by a fraction, the numerator of which is the participating Settlement Class member's number of Workweeks worked during the Class Period, and the denominator of which is the total Workweeks worked by all participating Settlement Class members during the Class Period.
 - ii. Waiting Time Amount: Ten Percent (10%) of the Net Settlement Amount shall be designated as the "Waiting Time Amount." Each participating Settlement Class member whose employment with Defendants ended at any time from April 6, 2017 to November 4, 2022, shall receive an equal, pro-rata share of the Waiting Time Amount. In other words, the Waiting Time Amount will be divided equally among all participating Settlement Class members whose employment with Defendants ended at any time from April 6, 2017 through November 4, 2022.
 - iii. Wage Statement Amount: Ten percent (10%) of the Net Settlement Amount shall be designated as the "Wage Statement Amount." Each participating Settlement Class member who was employed by Defendants at any time from April 6, 2019 through November 4, 2022 shall receive a portion of the Wage Statement Amount proportionate to the number of Workweeks that he or she worked during the period from April 6, 2019 through November 4, 2022, and which will be calculated by multiplying 10% of the Net Settlement Amount by a fraction, the numerator of which is the participating Settlement Class member's number of Workweeks worked from April 6, 2019 through November 4, 2022, and the denominator of which is the total number of Workweeks worked by all participating Settlement Class members during the time period from April 6, 2019 through November 4, 2022.
 - iv. In addition to the Net Settlement Amount, the PAGA Amount will be allocated as follows: Each Settlement Class member who was employed by Defendants at any time during the PAGA Period (including those who submit a valid and timely Request for Exclusion from the class action settlement), shall receive a portion of the PAGA Amount proportionate to the number of Workweeks worked during the PAGA Period, and which will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the Settlement Class member's gross number of Workweeks worked during the PAGA Period, and the denominator of which is the total number of Workweeks worked by all participating

Settlement Class members (including those who submit a valid and timely Request for Exclusion from the class action settlement) during the PAGA Period.

- C. Within ten (10) calendar days following Defendants' full deposit of the Gross Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate Individual Settlement Award amounts and provide the same to the Parties' counsel for review and approval. Within seven (7) calendar days of approval by the Parties' counsel, the Settlement Administrator will prepare and mail Individual Settlement Awards, less applicable taxes and withholdings, to participating Settlement Class members. The Settlement Administrator shall simultaneously pay the withholdings to the applicable authorities with the necessary reports, submitting copies to Defendants' counsel.
- D. For purposes of calculating applicable taxes and withholdings, each Settlement Award from the NSA shall be allocated as follows: Eighty Percent (80%) as penalties and interest; and Twenty Percent (20%) as wages. Any payment from the PAGA Amount shall be allocated as 100% penalties. The Settlement Administrator will be responsible for issuing to participating Settlement Class members IRS Forms W-2 for amounts deemed "wages" and IRS Forms 1099 for the amounts allocated as penalties and interest. Notwithstanding the treatment of the payments to each Settlement Class member above, none of the payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans.
- E. Each member of the Settlement Class who receives an Individual Settlement Award must cash the check(s) within 180 days from the date the Settlement Administrator mails it/them. Any funds associated with a check that is not negotiated within one hundred eighty (180) days of mailing to a Settlement Class member shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 *et seq.*, in the name of the Settlement Class member to whom the check was issued.
- F. Neither Plaintiff nor Defendants shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

5. **Attorneys' Fees and Costs.** Defendants will not object to Class Counsel's request for a total award of attorneys' fees of one-third of the Gross Settlement Amount, which is currently estimated to be Ninety-One Thousand Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$91,666.67). Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) from the Gross Settlement Amount. These amounts will cover any and all work

performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when the Settlement Administrator pays the fee award allowed by the Court.

6. **Class Representative Enhancement Award.** Defendants will not object to a request for a Class Representative Enhancement Award of up to Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) for Plaintiff, for his time and risk in prosecuting this case, and his service to the Settlement Class. This award will be in addition to Plaintiff's respective Settlement Award as a Settlement Class member and shall be reported on an IRS Form 1099 issued by the Settlement Administrator. In the event that the Court reduces or does not approve the requested Enhancement Award, Plaintiff shall not have the right to revoke this Settlement, and it will remain binding.

7. **Settlement Administrator.** Defendants will not object to the appointment of Phoenix Settlement Administrators as Settlement Administrator. Defendants will not object to Plaintiff's request to the Court to pay up to Twelve Thousand Dollars and Zero Cents (\$12,000.00) for its services from the Gross Settlement Amount. The Settlement Administrator shall be responsible for sending notices and for calculating Individual Settlement Awards and preparing all checks and mailings, calculating Defendants' share of taxes payable on the wages, which shall be deducted from the Gross Settlement Amount, and other duties as described in this Settlement Agreement. The Settlement Administrator shall be authorized to pay itself from the Gross Settlement Amount by Class Counsel only after Individual Settlement Awards have been mailed to all participating Settlement Class members. The Settlement Administrator shall also be responsible for posting the Final Judgment to its website.

8. **Preliminary Approval.** Within a reasonable time after execution of this Settlement Agreement by the Parties, Plaintiff shall apply to the Court for the entry of an Order:

- A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement;
- B. Appointing Paul K. Haines and Sean M. Blakely of Haines Law Group, APC as Class Counsel;
- C. Appointing Plaintiff Jayvin Jacobs as Class Representative for the Settlement Class;
- D. Approving Phoenix Settlement Administrators as Settlement Administrator;
- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
- F. Approving the form and content of the Notice Packet (which is comprised of the Class Notice and Notice of Estimated Settlement Award, drafts of which are attached hereto as Exhibits A and B, respectively), and directing the mailing of same; and

G. Scheduling a Final Approval hearing.

9. **Notice to Settlement Class.** Following preliminary approval, the Settlement Class shall be notified as follows:

- A. Within ten (10) business days after entry of an order preliminarily approving this Settlement, Defendants will provide the Settlement Administrator with the names, last known addresses, phone numbers, social security numbers, the dates of employment, and the number of workweeks worked by each Settlement Class member while employed during the Class Period (the “Class Data”). The Class Data shall be provided to the Settlement Administrator in an electronic format satisfactory to the Settlement Administrator.
- B. Within ten (10) business days from receipt of this information, the Settlement Administrator shall (i) run the names of all Settlement Class members through the National Change of Address (“NCOA”) database to determine any updated addresses for Settlement Class members; (ii) update the address of any Settlement Class member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Individual Settlement Award for each Settlement Class member; and (iv) mail a Notice Packet to each Settlement Class member at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.
- C. Requests for Exclusion. Any Settlement Class member who wishes to opt-out of the Settlement must complete and mail a Request for Exclusion (defined below) to the Settlement Administrator within sixty (60) calendar days of the date of the initial mailing of the Notice Packets (the “Response Deadline”).
 - i. The Notice Packet shall state that Settlement Class members who wish to exclude themselves from the Settlement must submit a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the Settlement Class member; (2) contain a statement that the Settlement Class member wishes to be excluded from the Settlement; (3) be signed by the Settlement Class member; and (4) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from the Settlement, except a Request for Exclusion not containing a Settlement Class member’s telephone number and/or last four digits of the Social Security number will be deemed valid. The date of the postmark on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the Settlement or have any right to object, appeal or comment thereon. Notwithstanding the foregoing, the PAGA settlement and release provisions will apply to all

Settlement Class members whether or not they exclude themselves from the class action settlement. Settlement Class members who were employed by Defendant at any time during the PAGA Period and submit a valid and timely Request for Exclusion shall still be entitled to their portion of the PAGA Amount described above, and will release all PAGA Released Claims, whether they submit a valid and timely Request for Exclusion or not.

- D. Objections. Members of the Settlement Class who do not request exclusion may object to this Settlement Agreement as explained in the Class Notice by filing a written objection with the Settlement Administrator (who shall serve all objections as received on Class Counsel and Defendants' counsel, as well as file all such objections with the Court). Defendants' counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval, unless the objections are filed within ten (10) days of the Motion for Final Approval filing deadline, in which case Defendants' counsel and Class Counsel shall have ten (10) days to file a response to the objections. To be valid, any written objection should: (1) contain the objecting Settlement Class member's full name and current address, as well as contact information for any attorney representing the objecting Settlement Class member for purposes of the objection; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; and (4) be postmarked no later than the Response Deadline. Members of the Settlement Class who do not request exclusion may also object to the Settlement by appearing at the Final Approval Hearing. Members of the Settlement class who request exclusion *may not* object to the Settlement.
- E. Notice of Estimated Settlement Award / Disputes. Each Notice Packet mailed to a Settlement Class member shall disclose the amount of the Settlement Class member's estimated Individual Settlement Award as well as all of the information that was used from Defendants' records in order to calculate the Settlement Award. Settlement Class members will have the opportunity, should they disagree with Defendants' records regarding the information stated in the Notice of Estimated Settlement Award, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Awards under the terms of this Settlement Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Individual Settlement Award shall be binding upon the Settlement Class member and the Parties.
- F. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an

updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class member immediately, and in any event within three (3) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class member. It will be conclusively presumed that, if an envelope so mailed has not been returned within thirty (30) days of the mailing, the Settlement Class member received the Notice Packet. Settlement Class members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have fourteen (14) calendar days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to submit a Request for Exclusion, Objection, or dispute. Notice Packets that are re-mailed shall inform the recipient of this adjusted deadline. If a Settlement Class member's Notice Packet is returned to the Settlement Administrator more than once as non-deliverable, then an additional Notice Packet shall not be mailed. Nothing else shall be required of, or done by, the Parties, Class Counsel, or Defendants' Counsel to provide notice of the proposed settlement.

10. **Final Approval.** Following preliminary approval and the close of the period for filing requests for exclusion, objections, or disputes under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order:

- A. Granting final approval of the Settlement, adjudging the terms thereof to be fair, adequate, and reasonable, and directing consummation of its terms and provisions;
- B. Approving Plaintiff's and Class Counsel's request for attorneys' fees and reimbursement of costs, Class Representative Enhancement Award, and settlement administration costs; and
- C. Entering Final Judgment pursuant to California Rule of Court 3.769. Said Judgment shall be posted on the Settlement Administrator's website.

11. **Non-Admission of Liability.** Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this Settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to Federal Evidence Code Section 408 and California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by Federal Evidence Code Section 408 and the California Evidence Code Section 1152.

12. **No Prior Assignments.** Plaintiff and Class Counsel represent, covenant, and warrant that they have not directly or indirectly encumbered, assigned, transferred, or otherwise given away any of the claims, demands, causes of actions, or rights that they are releasing by signing this Settlement Agreement, nor has any of them purported to do so.

13. **Non-disclosure and Non-publication.** Plaintiff and Class Counsel agree not to disclose or publicize the Settlement Agreement contemplated herein, the fact of the Settlement Agreement, its terms or contents, or the negotiations underlying the Settlement Agreement, in any manner or form, directly or indirectly, to any person or entity, except to Settlement Class members and as shall be contractually required to effectuate the terms of the Settlement Agreement as set forth herein. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other Lawsuits, Class Counsel may disclose the names of the Parties in this Lawsuit, the venue/case number of this Lawsuit, and a general description of the Lawsuit, to a court in a declaration by Class Counsel.

14. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by all of the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

15. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Defendants: Jeffrey Epstein of Law Offices of Jeffrey Epstein, 1999 Avenue of the Stars, Suite 1100, Century City, California 90071; jmelawfirm@gmail.com.

if to Plaintiff: Paul K. Haines, Haines Law Group, APC, 2155 Campus Drive, Suite 180, El Segundo, California 90245; phaines@haineslawgroup.com.

16. **Cooperation.** The Parties agree to work cooperatively, diligently and in good faith to ensure that all documents necessary to effectuate this Settlement are properly and timely filed.

17. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the Lawsuit contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof. Further, all terms of this Agreement and the exhibits hereto shall be governed by and interpreted according to the laws of the State of California.

18. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

19. **Enforcement Action.** The Parties agree that the Los Angeles County Superior Court shall have jurisdiction to enforce this Settlement pursuant to California Code of Civil Procedure section 664.6, and California Rule of Court 3.769. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

DATED: Sept 20, 2023

DEFENDANT RTI SYSTEMS, INC.

By: 
Title: VP

DATED: Sept 20, 2023

DEFENDANT RTI SYSTEMS PS

By: 
Title: VP

DATED: Sep 22, 2023, 2023

PLAINTIFF JAYVIN JACOBS

By: 
Title: Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: 9/21, 2023

LAW OFFICES OF JEFFREY EPSTEIN

By: 
Jeffrey Epstein
Attorneys for Defendants

DATED: 9/22, 2023

HAINES LAW GROUP, APC

By: 
Paul K. Haines
Sean M. Blakely
Attorneys for Plaintiff

EXHIBIT 1

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

JAYVIN JACOBS, as an individual and on behalf
of all others similarly situated,

Plaintiff,

vs.

RTI SYSTEMS, INC., a California corporation;
and DOES 1 through 100,

Defendants.

Case No. 20STCV40907

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

To: All current and former non-exempt employees employed by Defendants RTI Systems, Inc. and RTI Systems PS in California from April 6, 2016 until November 4, 2022. These employees will be referred to as the “Settlement Class” or “Settlement Class members.”

**PLEASE READ THIS NOTICE CAREFULLY.
THIS NOTICE IS BEING PROVIDED TO YOU IN BOTH ENGLISH AND SPANISH.
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT.**

Why should you read this notice?

The Court has granted preliminary approval of a proposed settlement (the “Settlement”) in *Jayvin Jacobs v. RTI Systems, Inc.*, Los Angeles County Superior Court Case No. 20STCV40907 (the “Lawsuit”). Because your rights may be affected by the Settlement, it is important that you read this Notice carefully.

You may be entitled to money from this Settlement. Defendants RTI Systems, Inc.’s and RTI Systems PS’ (collectively “RTI Systems”) records indicate that you were employed by RTI Systems as a non-exempt employee in California between April 6, 2016 and November 4, 2022 (the “Class Period”). The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this Notice is to provide you with a brief description of the Lawsuit, to inform you of the terms of the proposed Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves this Settlement, you will be bound by the terms of the Settlement and any final judgment.

What is this case about?

On October 23, 2020, Plaintiff Jayvin Jacobs (“Plaintiff”) filed a class action lawsuit alleging the following causes of action against RTI Systems: (1) failure to pay all overtime wages; (2) minimum wage violations; (3) meal period violations; (4) rest period violations; (5) wage statement violations; (6) waiting time penalties; and (7) unfair competition. On December 28, 2020, Plaintiff filed the operative First Amended Class and Representative Action Complaint to add a cause of action for civil penalties under the Private Attorneys General Act (“PAGA”). Plaintiff is known as the “Class Representative,” and his attorneys, who also represent the interests of all Settlement Class members, are known as “Class Counsel.”

RTI Systems denies that it has done anything wrong or that it owes Settlement Class members any wages, restitution, penalties, or other damages. Accordingly, this class-wide Settlement constitutes a compromise of highly disputed claims and should not be construed as an admission of liability on the part of RTI Systems, by whom all liability is expressly denied.

The Court has not ruled on the merits of Plaintiff's claims. However, to avoid additional expense, inconvenience, and interference with RTI Systems' business operations, the parties have agreed to settle the Lawsuit on the terms summarized in this Notice. After RTI Systems provided relevant information and documents to Class Counsel, the Settlement was reached after mediation and intensive arm's length negotiations between the parties.

The Class Representative and Class Counsel support this Settlement. Among the reasons for support are the defenses to liability potentially available to RTI Systems, the risk of denial of class certification, the inherent risk of trial on the merits, and the delays and uncertainties associated with ongoing litigation.

Who are the attorneys?

Attorneys for Plaintiff/Settlement Class Members: HAINES LAW GROUP, APC Paul K. Haines phaines@haineslawgroup.com Sean M. Blakely sblakely@haineslawgroup.com 2155 Campus Drive, Suite 180 El Segundo, California 90245 Tel: (424) 292-2350 Fax: (424) 292-2355	Attorneys for RTI Systems: LAW OFFICES OF JEFFREY EPSTEIN Jeffrey Epstein jmelawfirm@gmail.com 2121 Avenue of the Stars, Suite 800 Century City, California 90067 Tel: (310) 860-6023
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What are the terms of the Settlement?

On <<PRELIM APPROVAL DATE>>, the Court preliminarily certified a class, for settlement purposes only, of all current and former non-exempt employees employed by RTI Systems in California from April 6, 2016 until November 4, 2022. Settlement Class members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release claims against RTI Systems as specifically described below.

RTI Systems has agreed to pay \$275,000.00 (the "Gross Settlement Amount") to fully resolve all claims in the Lawsuit, including claims by Settlement Class members, attorneys' fees, costs, settlement administration costs, and Plaintiff's Enhancement Award.

The following deductions from the Gross Settlement Amount will be requested by the Parties:

Settlement Administration Costs. The Court has approved Phoenix Settlement Administrators to act as the "Settlement Administrator," who is sending this Notice to you and will perform many other duties relating to the Settlement. The Court has approved setting aside up to \$12,000.00 from the Gross Settlement Amount to pay the settlement administration costs.

Attorneys' Fees and Expenses. Class Counsel have been prosecuting the Lawsuit on behalf of the Settlement Class members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys'

fees, which will be paid from the Gross Settlement Amount. Settlement Class members are not personally responsible for any of Class Counsel's attorneys' fees or expenses. Class Counsel will ask for fees of up to one-third of the Gross Settlement Amount, which is estimated to be \$91,666.66, as reasonable compensation for the work Class Counsel performed and will continue to perform in this Lawsuit through Settlement finalization. Class Counsel also will ask for reimbursement of up to \$25,000.00 for reimbursement of verified costs Class Counsel incurred in connection with the Lawsuit.

Plaintiff's Enhancement Award. Class Counsel will ask the Court to approve an Enhancement Award of \$7,500.00 to Plaintiff. This payment is to compensate Plaintiff for his services and extra work performed on behalf of the Settlement Class members.

PAGA Payment to State of California. The parties have agreed to allocate \$20,000.00 towards the Settlement of the PAGA claims in the Action. \$15,000.00 will be paid to the Labor & Workforce Development Agency ("LWDA"), representing its 75% share of the civil penalties. The remaining \$5,000.00 will be allocated to Settlement Class members as the "PAGA Amount" as described below.

Calculation of Settlement Class members' Individual Settlement Awards. After deducting the Court-approved amounts above, the balance of the Gross Settlement Amount will form the Net Settlement Amount, which will be distributed to all Settlement Class members who do not submit a valid and timely Request for Exclusion (defined below). The Net Settlement Amount is estimated to be approximately \$118,833.34 and will be divided as follows:

All Settlement Class members: Eighty Percent (80%) of the Net Settlement Amount shall be allocated to all participating Settlement Class members based on each participating Settlement Class member's proportionate number of workweeks worked for RTI Systems during the Class Period.

Waiting Time Amount: Ten Percent (10%) of the Net Settlement Amount shall be designated as the "Waiting Time Amount." Each participating Settlement Class member who separated their employment from RTI Systems at any time from April 6, 2017 through November 4, 2022, shall receive an equal share of the Waiting Time Amount.

Wage Statement Amount: Ten Percent (10%) of the Net Settlement Amount shall be designated as the "Wage Statement Amount." Each participating Settlement Class member who was employed by RTI Systems at any time from April 6, 2019 through November 4, 2022, shall receive a portion of the Wage Statement Amount proportionate to the number of workweeks that he or she worked during the period from April 6, 2019 through November 4, 2022.

PAGA Amount: In addition to the Net Settlement Amount, each Settlement Class member who was employed by RTI Systems at any time from October 23, 2019 through November 4, 2022 ("PAGA Period") (including those who request exclusion from the class settlement) shall receive a portion of the PAGA Amount proportionate to the number of workweeks worked during the PAGA Period.

Payments to Settlement Class members. If the Court grants final approval of the Settlement, individual Settlement Awards will be mailed to all Settlement Class members who did not submit a valid and timely Request for Exclusion from the Settlement. RTI Systems shall deposit the Gross Settlement Amount as follows: RTI Systems will deposit Seventy-Five Thousand Dollars and Zero Cents (\$75,000.00) with the Settlement Administrator upon signing of this Settlement Agreement. The remaining Two Hundred Thousand Dollars and Zero Cents (\$200,000.00) shall be deposited in 29 equal monthly installments of approximately \$6,896.55 (with the last payment being \$6,896.60), with each payment due on the first of the month.

Allocation and Taxes. For tax purposes, an Individual Settlement Award from the Net Settlement Amount shall be treated as follows: twenty percent (20%) of each Individual Settlement Award shall be designated as wages subject to W-2 reporting and normal payroll withholdings; and eighty percent (80%) of each Individual Settlement Award shall be designated as penalties and interest. Any payment from the PAGA Amount shall be allocated as 100% penalties. The Settlement Administrator will be responsible for issuing to Settlement Class members IRS Forms W-2 for amounts deemed “wages” and IRS Forms 1099 for the amounts allocated as penalties and interest. Settlement Class members are responsible for the proper income tax treatment of the Settlement Awards. The Settlement Administrator, RTI Systems and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release. If the Court approves the Settlement, and upon the complete funding of the Gross Settlement Amount, Settlement Class members will release and discharge RTI Systems and all of its past and present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, (collectively the “Released Parties”) from all claims, demands, rights, liabilities, and causes of action that were pled in the Action, or which could have been pled in the Action, that arose during the Class Period, including: the failure to pay minimum wages; the failure to pay all overtime wages; failure to authorize and permit rest periods, or premium pay for non-compliant rest periods; failure to provide proper meal periods, or premium pay for non-compliant meal periods; failure to furnish complete and accurate wage statements; waiting time penalties, all related statutory claims including, but not limited to, alleged violations of California Labor Code sections 201-204, 226, 226.7, 510, 512, 516, 558, 1182.12, 1194, 1194.2, 1197, 1198, 1199, and California Business and Professions Code section 17200, *et seq.*, the applicable Wage Order of the Industrial Welfare Commission, and all claims for unfair business practices that could have been premised on the facts, claims, caused of action or legal theories described above (the “Released Claims”). This period of the Released Claims shall extend to the limits of the Class Period.

In addition, all Settlement Class members (regardless of whether they opt out) who worked for RTI Systems at any time during the PAGA Period are “Aggrieved Employees” and shall release the Released Parties from all claims for civil penalties under PAGA arising during the PAGA Period as disclosed in Plaintiff’s October 23, 2020 Notification Letter to the LWDA (“the PAGA Released Claims”).

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate, and in the best interests of the Settlement Class, and the entry of Judgment.

How can I claim money from the Settlement?

Do Nothing. If you do nothing, you will be entitled to your Individual Settlement Award based on your proportionate number of workweeks worked during the Class Period, the number of workweeks worked during the time period from April 6, 2019 through November 4, 2022, the number of workweeks worked during the time period of October 23, 2019 through November 4, 2022, as well as whether your employment with RTI Systems ended during the relevant time period, as stated in the enclosed Notice of Estimated Individual Settlement Award. You will also be bound by the Settlement, including the release of claims stated herein.

If you are issued a Settlement, Check, you must cash the check(s) within 180 days from the date the Settlement Administrator mails it to you. Any checks that were not cashed within 180 days will escheat to the California State Controller Unclaimed Property Fund in the name of the Settlement Class member.

What other options do I have?

Disputing Information in Notice of Estimated Individual Settlement Award. Your estimated Individual Settlement Award is based on your number of proportionate workweeks worked during the Class Period, the number of

workweeks worked from April 6, 2019 through November 4, 2022, the number of workweeks worked during the time period of October 23, 2019 through November 4, 2022, as well as whether your employment with RTI Systems ended during the time period from April 6, 2017 through November 4, 2022. The information contained in RTI Systems' records regarding each of these factors is listed on the accompanying Notice of Estimated Individual Settlement Award. If you disagree with what is contained in your Notice of Estimated Individual Settlement Award, you may submit a dispute, along with any supporting information and documentation, in accordance with the procedures stated in the Notice of Estimated Individual Settlement Award. Any disputes, along with supporting information and documentation, must be postmarked no later than <<RESPONSE DEADLINE>>. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Awards, and the Settlement Administrator's determination shall be binding upon the Settlement Class member and the Parties.

Excluding Yourself from the Settlement. If you **do not** wish to take part in the class action Settlement, you may exclude yourself by sending to the Settlement Administrator a written "Request for Exclusion" letter or card postmarked no later than <<RESPONSE DEADLINE>>, with your full name, current address and telephone number, last four digits of your social security number, and signature. The Request for Exclusion should state:

"I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE *JAYVIN JACOBS V. RTI SYSTEMS, INC.*, LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THE CLASS CLAIMS IN THIS LAWSUIT."

Send the Request for Exclusion directly to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Any person who submits a valid and timely Request for Exclusion shall, upon receipt, no longer be a Settlement Class member, shall be barred from participating in any portion of the class action Settlement, and shall receive no monetary benefits from the class action Settlement. However, all Settlement Class members who worked for RTI Systems during the PAGA Period, including those who opt out, will be bound by the PAGA portion of the Settlement and will receive a portion from the PAGA Amount. **Do not submit both a Dispute and a Request for Exclusion.** If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Settlement.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you may mail a written objection to the Settlement Administrator. Your written objection should include your full name, current address, the name and address of any attorney representing you, the case name and number, each specific objection, and any legal or factual support for each objection, including any supporting papers, briefs, written evidence, declarations, and/or other evidence. Objections should be submitted by mail to the Settlement Administrator and must be postmarked on or before <<RESPONSE DEADLINE>>.

Members of the Settlement Class who do not request exclusion may also object to the Settlement by appearing at the Final Approval Hearing scheduled for <<FINAL APPROVAL HEARING DATE/TIME>> in Department 10 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012. You have the right to appear either in person or through your own attorney at this hearing. You need not file a written objection in order to appear at the Final Approval Hearing. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before <<RESPONSE DEADLINE>>. All objections or other correspondence must state the name and number of the case, which is *Jayvin Jacobs v. RTI Systems, Inc.*, Los Angeles County Superior Court Case No. 20STCV40907.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class members who do not object.

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on <<FINAL APPROVAL HEARING DATE/TIME>>, in Department 10 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012. The Court will also be asked to rule on Class Counsel's request for attorneys' fees and costs, settlement administration costs, and Plaintiff's Enhancement Award. The Final Approval Hearing may be postponed without further notice to the Class. You may contact Class Counsel using the contact information provided above to confirm the address, date and time of the Final Approval Hearing. **You are not required to attend the Final Approval Hearing, although any Settlement Class member is welcome to attend the hearing.**

If the Court grants Final Approval, the Court will issue a final judgment which shall be posted on the Settlement Administrator's website (<http://www.phoenixclassaction.com>).

How can I get additional information?

This Notice is only a summary of the Lawsuit and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012, during regular court hours, please visit <https://www.lacourt.org> for the Court's current hours as the hours may be impacted by the COVID-19 pandemic and an appointment may be required to inspect the Court's files. You may also contact Class Counsel using the contact information listed above for more information.

PLEASE DO NOT CALL OR WRITE THE COURT, RTI SYSTEMS, OR ITS ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT.

Reminder as to time limits

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is <<RESPONSE DEADLINE>>. These deadlines will be strictly enforced.

EXHIBIT 2

NOTICE OF ESTIMATED INDIVIDUAL SETTLEMENT AWARD

JAYVIN JACOBS V. RTI SYSTEMS, INC., et al.
Los Angeles County Superior Court Case No. 20STCV40907

Please complete, sign, date and return this Form to <<ADMINISTRATOR CONTACT INFO>> **ONLY IF** (1) your personal contact information has changed, and/or (2) you wish to dispute any of the items listed in Section (III), below. It is your responsibility to keep a current address on file with the Settlement Administrator.

(I) Please type or print your name:

(First, Middle, Last)

(II) Please type or print the following identifying information if your contact information has changed:

Former Names (if any)

New Street Address

City

State

Zip Code

Phone number (if you wish to be contacted by phone)

(III) Information Used to Calculate Your Estimated Individual Settlement Award:

According to RTI Systems, Inc.'s ("RTI Systems") records:

- (a) you worked [REDACTED] workweeks between April 6, 2016 and November 4, 2022, for RTI Systems;
- (b) you worked [REDACTED] workweeks between October 23, 2019 and November 4, 2022, for RTI Systems;
- (c) you worked [REDACTED] workweeks between April 6, 2019 and November 4, 2022, for RTI Systems; and
- (d) your employment with RTI Systems <<DID/DID NOT>> end between April 6, 2017, and November 4, 2022.

Based on the above, your Individual Settlement Award is estimated at \$ [REDACTED].

(IV) If you disagree with items (a), (b), (c), and/or (d) in Section (III) above, please explain why in the space provided below and include copies of any supporting documentation with this Form:

If you dispute the above information garnered from RTI Systems' records, RTI Systems' records will control unless you are able to provide documentation that establishes otherwise. If there is a dispute about whether RTI Systems' information or yours is accurate, and the dispute cannot be resolved informally by the Parties, the dispute will be resolved by the Settlement Administrator as described in the accompanying "Notice of Pendency of Class Action and Proposed Settlement."

**ANY DISPUTES, ALONG WITH ANY SUPPORTING DOCUMENTATION, MUST BE
POSTMARKED NO LATER THAN <<RESPONSE DEADLINE>>.**