

HAINES LAW GROUP, APC

Paul K. Haines (SBN 248226)
phaines@haineslawgroup.com
Sean M. Blakely (SBN 264384)
sblakely@haineslawgroup.com
2155 Campus Drive, Suite 180
El Segundo, California 90245
Tel: (424) 292-2350
Fax: (424) 292-2355

Attorneys for Plaintiff

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE 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

*[Assigned for all purposes to Hon. William
Highberger; Dept. SSC-10]*

**DECLARATION OF SEAN M. BLAKELY
IN SUPPORT OF PLAINTIFF'S MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

Date: December 4, 2023
Time: 10:30 a.m.
Dept.: SSC-10

Complaint Filed: October 23, 2020
Trial Date: None Set

1 I, SEAN M. BLAKELY, declare as follows:

2 1. I am a Partner at Haines Law Group, APC, and counsel for the named Plaintiff
3 Jayvin Jacobs (“Plaintiff”) and the proposed Settlement Class in the above-captioned matter. I am
4 a member in good standing of the bar of the State of California and am admitted to practice in
5 this Court. I have personal knowledge of the facts stated in this declaration and could testify
6 competently to them if called upon to do so.

7 2. I am a 2008 graduate of Southwestern Law School. I was admitted to the California
8 State Bar in September 2009. From December 2010 to September 2011, I worked as a Law Clerk
9 for Rose, Klein & Marias, a civil litigation firm in Long Beach, California. At Rose, Klein &
10 Marias I assisted trial attorneys in employment and personal injury cases. From September 2011
11 to May 2016, I worked as an associate at the employment law firm of Mahoney Law Group, APC
12 in Long Beach, California. The vast majority of my work at Mahoney Law Group, APC focused
13 on representing employees in wage and hour class actions. My work at Mahoney Law Group,
14 APC also included representing employees in individual claims for wrongful termination,
15 harassment, discrimination, and retaliation. Although non-exhaustive, the types of work I
16 performed at Mahoney Law Group, APC included: conducting client intakes; performing pre-
17 filing research and analysis; drafting complaints; attending court hearings; corresponding with
18 opposing counsel; drafting and responding to written discovery; preparing for and taking and
19 defending depositions; analyzing payroll and timekeeping records and employee handbooks;
20 opposing motions for summary judgment, as well as a variety of other motions such as motions
21 for remand, demurrers and motions to dismiss, motions to strike, motions to compel, motions to
22 quash, and motions for class certification; drafting mediation briefs, attending mediations;
23 drafting long-form settlement agreements; drafting motions for preliminary and final settlement
24 approval; and overseeing the claims process.

25 3. Since November 2016, I have worked at my current firm, Haines Law Group,
26 APC, where, in 2020, I became a Partner. I am currently responsible for managing over forty
27 (40) active wage and hour class and representative actions in both state and federal court.
28

1 4. The following is a non-exhaustive list of wage and hour class actions in which I
2 have been appointed as class counsel and/or played a significant role in prosecuting the litigation,
3 and which have received final approval: *Santimateo v. Sun Healthcare Group, Inc., et al*, Case
4 No. BC471884, California Superior Court, Los Angeles County, Judge Jane L. Johnson presiding
5 (granted final approval of settlement on behalf of employees at rehabilitation facility involving
6 claims for unpaid wages and meal and rest period violations, and other claims, in which I was
7 approved at an hourly rate of \$325 for work performed in 2012-2013); *Teyuca v. Pacific Alliance*
8 *Medical Center, Inc.*, California Superior Court, Los Angeles County, Judge William F.
9 Highberger presiding (granting final approval of settlement on behalf of healthcare workers for
10 unpaid wages, meal and rest period violations, and other claims, in which I was approved at an
11 hourly rate of \$325 for work performed in 2012-2013); *Arteaga v. Command Center Security,*
12 *Inc.*, Case No. BC480496, California Superior Court, Los Angeles County, Judge John Shepard
13 Wiley, Jr. presiding (granting final approval of settlement on behalf of security guards involving
14 claims for unpaid overtime, meal and rest period violations, and other claims, in which I was
15 approved at an hourly rate of \$425 for work performed in 2012-2015); *Casadine v. Maxim*
16 *Healthcare Services, Inc.*, Case No. CV 12-10078-DMG (CWx), United States District Court,
17 Central District of California, Judge Dolly M. Gee presiding (granting final approval of settlement
18 on behalf of home health care employees involving claims for unpaid wages and other claims, in
19 which I was approved at an hourly rate of \$425 for work performed in 2012-2015); *Guzman v.*
20 *Andrew Lauren Interiors, Inc., et al.*, Case No. BC567757, California Superior Court, Los
21 Angeles County, Judge Elihu M. Berle presiding (granting final approval of settlement on behalf
22 of construction workers involving claims for unpaid wages, meal and rest period violation, and
23 other claims, in which I was approved at an hourly rate of \$425 for work performed in 2014-
24 2016); *Booker v. The Goodyear Tire and Rubber Company*, Case No. BC498399, California
25 Superior Court, Los Angeles County, Judge Amy Hogue presiding (granting final approval of
26 settlement on behalf of tire mechanics involving claims for unpaid wages, meal and rest period
27 violations, and other claims, in which I was approved at an hourly rate of \$425 for work performed
28 in 2013-2015); *Nunez v. CompuCom Systems, Inc.*, Case No. BC618385, California Superior

1 Court, Los Angeles County, Judge John Shepard Wiley, Jr. presiding (granting final approval of
2 settlement on behalf of IT support workers for overtime, meal and period, reimbursement, and
3 related violations, approved at hourly rate of \$475 for work performed in 2016 and 2017); *Galvan*
4 *v. AMVAC Chemical Corporation*, Case No. 30-2014-00716103-CU-OE-CXC, California
5 Superior Court, Orange County, Judge William D. Claster presiding (granting final approval of
6 settlement on behalf of non-exempt employees of a chemical manufacturing company involving
7 claims for unpaid overtime and waiting time penalties); *Razon v. TTM Technologies, Inc., et al.*,
8 Case No. 37-2016-00038326-CU-OE-CTL, California Superior Court, San Diego County, Judge
9 Gregory W. Pollack presiding (granting final approval of settlement involving claims for unpaid
10 overtime wages, wage statement violations, and meal period violations); *Blank v. Coty, Inc., et*
11 *al.*, Case No. BC624850, California Superior Court, Los Angeles County, Judge Williams F.
12 Highberger presiding (granting final approval of settlement involving claims for wage statement
13 violations, meal period violations, and other claims); *Morales v. Caremeridian, LLC, et al.*, Case
14 No. BC593191, California Superior Court, Los Angeles County, Judge William F. Highberger
15 presiding (granting final approval of settlement on behalf of direct support professionals
16 involving claims for unpaid wages, meal and rest period violations, wage statement violations,
17 and other claims); *Aguilar v. Act Fulfillment, Inc.*, Case No. RIC1616643, California Superior
18 Court, Riverside County, Judge Sharon J. Waters presiding (granting final approval of settlement
19 on behalf of non-exempt factory workers involving claims for meal period violations); *Sandoval*
20 *v. AMCOR Flexibles Inc.*, Case No. BC617499, California Superior Court, Los Angeles County,
21 Judge Kenneth R. Freeman presiding (granting final approval of settlement on behalf of
22 manufacturing employees involving claims for unpaid wages, meal period violations, rest period
23 violations, and waiting time penalties); *Le v. GBW Railcar Services, L.L.C.*, Case No.
24 RIC1612209, California Superior Court, Riverside County, Judge Sharon J. Waters presiding
25 (granting final approval of settlement on behalf of non-exempt employees of a freight railcar
26 manufacturer involving claims for unpaid overtime and minimum wages, meal period violations,
27 and rest period violations); *Silva v. ADJ Products, LLC*, Case No. BC618581, California Superior
28 Court, Los Angeles County, Judge William F. Highberger presiding (granting final approval of

1 settlement involving claims for unpaid overtime and minimum wages, rest period violations,
2 wage statement violations, and waiting time penalties); *Lira v. Discus Dental, LLC, et al.*, Case
3 No. CIVDS1620402, California Superior Court, San Bernardino County, Judge David Cohn
4 presiding (granting final approval of settlement on behalf of non-exempt manufacturing
5 employees involving claims for unpaid minimum and overtime wages, meal and rest period
6 violations, and other claims); *Gonzales v. PathPoint*, Case No. BC657147, California Superior
7 Court, Los Angeles County, Judge Carolyn B. Kuhl presiding (granting final approval of
8 settlement on behalf of non-exempt direct support professionals involving claims for meal and
9 rest period violations and other claims); *Duran v. PRADA USA CORP.*, Case No. BC644319,
10 California Superior Court, Los Angeles County, Judge Maren E. Nelson presiding (granting final
11 approval of settlement on behalf of non-exempt commissioned salespersons involving claims for
12 unpaid overtime wages, meal and rest period violations, failure to reimburse for necessary
13 expenditures, and other claims); *Banegas v. UPM, Inc.*, Case No. BC644438, California Superior
14 Court, Los Angeles County, Judge Carolyn B. Kuhl presiding (granting final approval of
15 settlement on behalf of non-exempt manufacturing employees involving claims for unpaid wages,
16 meal and rest period violations, and other claims); *Palafox v. Pacific Line Clean-Up, Inc.*, Case
17 No. 30-2017-00921632-CU-OE-CXC, California Superior Court, Orange County, Judge William
18 D. Claster presiding (granting final approval of settlement on behalf of non-exempt employees
19 involving claims for unpaid overtime wages, meal and rest period violations, and other claims);
20 *Janet Arroyo v. AST Sportswear, Inc., dba Bayside Apparel Manufacturing, Inc.*, Case No. 30-
21 2017-00909663-CU-OE-CXC, California Superior Court, Orange County, Judge Glenda Sanders
22 presiding (granting final approval of settlement on behalf of non-exempt garment employees
23 involving claims for unpaid minimum wages, meal and rest period violations, and other claims);
24 *Carlos Garcia v. Fabrica International, Inc.*, Case No. 30-2017-00949461-CU-OE-CXC,
25 California Superior Court, Orange County, Judge William D. Claster presiding (granting final
26 approval of settlement on behalf of non-exempt manufacturing employees involving claims for
27 unpaid minimum and overtime wages, meal and rest period violations, and statutory penalties);
28 *Jonathan Leon v. Piercey West, Inc.*, Case No. BC656874, California Superior Court, Los

1 Angeles County, Judge Amy D. Hogue presiding (granting final approval of settlement on behalf
2 of non-exempt commissioned salespersons and other employees involving claims for unpaid
3 wages, meal and rest period violations, unreimbursed business expenses, and other claims); and
4 *Matthew Tovar, et al. v. Rentokil North America, Inc.*, Case No. BC676386, California Superior
5 Court, Los Angeles County, Judge Daniel J. Buckley presiding (granting final approval of
6 settlement on behalf of non-exempt employees involving claims for unpaid overtime, meal and
7 rest break violations, and other claims); *Seungmin Samantha Lee v. Infor (US) Inc.*, Case No.
8 CGC-18-566393, California Superior Court, San Francisco County, Judge Ethan P. Schulman
9 presiding (granting final approval of settlement on behalf of sales development representatives
10 involving claims for unpaid overtime, meal and rest period violations, and penalty claims); *Tracy*
11 *Aguilar, et al. v. Aero Port Services, Inc.*, Case No. BC659234, California Superior Court, Los
12 Angeles County, Judge Carolyn B. Kuhl presiding (granting final approval of settlement on behalf
13 of non-exempt employees involving claims for meal and rest period violations, and other claims);
14 *Carlos Perez, et al. v. Moss Bros. Auto Group, Inc., et al.*, Case No. RIC1709905, California
15 Superior Court, Riverside County, Judge Sunshine S. Sykes presiding (granting final approval of
16 settlement on behalf of non-exempt commissioned salespersons involving claims for unpaid
17 wages, meal and rest period violations, other claims); *Julio Alfaro v. Orange Automotive d/b/a*
18 *Kia of Orange*, Case No. 30-2017-00945105-CU-OE-CXC, California Superior Court, Orange
19 County, Judge Randall J. Sherman presiding (granting final approval settlement on behalf of non-
20 exempt commissioned employees involving claims for unpaid wages, meal and rest period
21 violations, unreimbursed business expenses, and penalty claims); *Sepulveda, et al. v. Caliber*
22 *Collision Transport Service LLC, et al.*, Case No. BC669786, California Superior Court, Los
23 Angeles County, Judge Carolyn B. Kuhl presiding (granting final approval of settlement on behalf
24 of non-exempt commissioned employees involving claims for unpaid wages, meal and rest period
25 violations, and penalty claims); *Mariela Cruz v. Traina Dried Fruit, Inc.*, Case No. 9000819,
26 California Superior Court, Stanislaus County, Judge Marie Sovey Silveira presiding (granting
27 final approval of settlement on behalf of non-exempt employees involving claims for unpaid
28 wages, meal and rest period violations, and penalty claims); *Joshua Anthony v. Semper Solaris*

1 *Construction Inc.*, Case No. 37-2018-00035320-CU-OE-CTL, California Superior Court, San
2 Diego County, Judge Gregory W. Pollack presiding (granting final approval of settlement on
3 behalf of non-exempt employees involving claims for overtime wages, wage statement penalties,
4 waiting time penalties, and PAGA civil penalties); *Fabio Gallo v. Coast Composites, LLC*, Case
5 No. 30-2018-01016120-CU-OE-CXC, California Superior Court, Orange County, Judge Glenda
6 Sanders presiding (granting final approval of settlement on behalf of non-exempt employees
7 involving claims for wage statement violations and PAGA civil penalties); *Maria Jessenia*
8 *Gomez, et al. v. CareMeridian, LLC*, Case No. BC655730, California Superior Court, Los
9 Angeles County, Judge William F. Highberger presiding (granting final approval of settlement
10 on behalf of non-exempt nursing employees involving claims for meal and rest period violations,
11 minimum and overtime violations, and penalty claims); *Alfredo Villarreal v. Spenuzza, Inc.*, Case
12 No. RIC1902836, California Superior Court, Riverside County, Judge Sunshine S. Sykes
13 presiding (granting final approval of settlement on behalf of non-exempt manufacturing
14 employees involving claims for unpaid wages, meal and rest period violations, and various
15 penalty claims); *Rosalie A. Wayman v. San Fernando Valley Automotive, LLC, et al.*, Case No.
16 19STCV35904, California Superior Court, Los Angeles County, Judge Maren E. Nelson
17 presiding (granting final approval of settlement on behalf of commission-based employees
18 involving claims for unpaid minimum wages, meal and rest period violations, and penalty claims);
19 *Danielle Bradley Queen, et al. v. Unlimited Quest, Inc.*, Case No. CIVDS1716151, California
20 Superior Court, San Bernardino County, Judge David Cohn presiding (granting final approval of
21 settlement on behalf of non-exempt Direct Support Professionals and Program Supervisors
22 involving claims for rest period violations, unpaid wages, failure to reimburse for necessary
23 business expenditures, wage statement violations, and other penalty claims); *Fabian Santana, et*
24 *al. v. A.M. Cabinets, Inc.*, Case No. 19STCV00803, California Superior Court, Los Angeles
25 County, Judge Daniel J. Buckley presiding (granting final approval of settlement on behalf of
26 non-exempt employees involving claims for unpaid wages, meal and rest period violations, wage
27 statement violations, failure to reimburse for necessary business expenditures, and other penalty
28 claims); *Jonathan Reyes-Delcid v. SNS Transportation Services Inc.*, Case No. BC683026, Judge

1 Daniel J. Buckley presiding (granting final approval of settlement on behalf of non-exempt
2 employees involving claims for piece-rate violations, unpaid wages, meal and rest period
3 violations, failure to reimburse for necessary business expenditures, and other penalty claims);
4 *Damien Dana Council v. Professional Courier & Newspaper Distribution, et al.*, Case No.
5 BC715054, California Superior Court, Los Angeles County, Judge Amy D. Hogue presiding
6 (granting final approval of settlement on behalf of non-exempt employees involving claims for
7 unpaid wages, meal and rest period violations, and various penalty claims); and *Jose Jimenez v.*
8 *Fenceworks, Inc.*, Case No. 30-2018-01034150-CU-OE-CXC, California Superior Court, Orange
9 County, Judge William D. Claster presiding (granting final approval of settlement on behalf of
10 non-exempt employees involving claims for piece-rate violations, unpaid wages, meal period
11 violations, and various penalty claims).

12 5. I have also moved to certify and have received an order certifying a class action in
13 *Ontiveros v. Safelite Fulfillment, Inc., et al.*, Case No. CV 15-7118-DMG (RAOx), United States
14 District Court, Central District of California, Honorable Dolly M. Gee presiding (certifying six
15 classes of employees for rest period violations, wage statement violations, meal period violations,
16 and overtime and double-time violations); and *Vazquez v. Kraft Heinz Foods Company*, Case No.
17 16-CV-02749-WQH (BLM), United States District Court, Southern District of California,
18 Honorable William Q. Hayes, presiding (certifying unpaid wages classes, meal period classes,
19 wage statement class, and waiting time penalty class).

20 6. In 2018, 2019, 2020, 2021, and 2022, Thomson Reuters recognized me as a Top
21 Young Attorney in Southern California in the annual Rising Star Edition of Super Lawyers. This
22 is an honor awarded to no more than two-and-a-half percent (2.5%) of attorneys under the age of
23 forty in Southern California each year.

24 7. As counsel for Plaintiff and the proposed Settlement Class, I have been intimately
25 involved in every aspect of this case from its inception through the present, and I believe that the
26 proposed Settlement is a favorable result for the Settlement Class.

27 ///

28 ///

1 8. The proposed Stipulation of Settlement (“Settlement” or “Settlement Agreement”)
2 is attached hereto as **Exhibit A**. The proposed Class Notice and Notice of Estimated Individual
3 Settlement Award are attached to the Settlement as **Exhibits 1** and **2**, respectively.

4 9. Defendants RTI Systems, Inc. and RTI Systems PS (collectively “RTI Systems”)
5 provides remote security and surveillance services to construction sites and retail, commercial,
6 and hospitality properties.

7 10. On October 23, 2020, Plaintiff filed his Class Action Complaint in Los Angeles
8 County Superior Court, alleging that RTI Systems: (i) failed to pay all overtime wages; (ii) failed
9 to pay all minimum wages; (iii) failed to provide all lawful meal periods; (iv) failed to authorize
10 and permit all rest periods; (v) failed to issue accurate, itemized wage statements; (vi) failed to
11 pay all final wages due upon separation of employment; and (vii) engaged in unfair competition
12 in violation of California Business & Professions Code § 17200 *et seq.* That same day, Plaintiff
13 sent his PAGA notice letter to the Labor and Workforce Development Agency (“LWDA”). A true
14 and correct copy of Plaintiff’s letter to the LWDA is attached hereto as **Exhibit B**. On December
15 28, 2020, Plaintiff filed the operative First Amended Class and Representative Action Complaint
16 (“FAC”) to add an eighth cause of action for civil penalties under the PAGA.

17 11. In connection with mediation, RTI Systems provided Plaintiff’s counsel with a
18 random sampling of timekeeping and payroll records for approximately 20% of putative class
19 members. In addition, RTI Systems produced a “Class List” containing all putative class
20 members’ hire and termination dates (if applicable), rates of pay, as well as RTI Systems’ written
21 policies and other information. Plaintiff, with the help of his retained expert, conducted a
22 comprehensive analysis and extrapolation of the payroll and timekeeping data produced by RTI
23 Systems to create a detailed exposure analysis for all claims at issue. This discovery allowed the
24 Parties to assess the merits and value of Plaintiff’s claims, the chances of certification of
25 Plaintiff’s claims, and RTI Systems’ potential defenses.

26 12. On November 17, 2021, the Parties participated in a full-day mediation with
27 Steven G. Mehta, Esq., a well-respected wage and hour class action mediator. During mediation,
28 the Parties vigorously debated their opposing legal positions, the likelihood of certification of

Plaintiff's claims, the legal basis for the claims and defenses, as well as RTI Systems' financial condition. The Parties did not reach a settlement at mediation. In the months following mediation and RTI Systems' representation of its financial condition, RTI Systems turned over its financial records to Plaintiff's retained expert, Keith D. Messerschmidt, who is a forensic accountant and has consulted or provided expert testimony in dozens of litigation and insurance matters. Plaintiff with the help of its retained forensic accountant, reviewed the documents provided by RTI Systems. The parties continued their discussions with Mr. Mehta following the mediation and Mr. Mehta issued a mediator's proposal for a class-wide settlement, which was ultimately accepted by both sides. During the months that followed, the Parties finalized the terms of the Settlement and executed the long-form Settlement Agreement now before the court.

13. The monetary terms of the Settlement are summarized below:

• Gross Settlement Amount ("GSA"):	\$275,000.00
• Minus Court-approved attorney fees:	\$91,666.66
• Minus Court-approved verified costs (up to):	\$25,000.00
• Minus Court-approved Enhancement Award:	\$7,500.00
• Minus Amount Set Aside as PAGA penalties:	\$20,000.00
• <u>Minus estimated settlement administration costs:</u>	<u>\$12,000.00</u>
Net Settlement Amount ("NSA"):	\$118,833.34
PLUS 25% "PAGA Amount" to Settlement Class:	\$5,000.00
Total Amount Paid to Settlement Class:	\$123,833.34

14. According to RTI Systems, there are approximately 235 Settlement Class members. Therefore, the average Settlement Award from the NSA is projected to be approximately \$505.67. There are approximately 143 Aggrieved Employees during the PAGA Period. Therefore, each Aggrieved Employee will receive an average of approximately \$34.96 from the PAGA Amount.

15. As described in the accompanying Motion for Preliminary Approval of Class Action Settlement, Plaintiff alleges that RTI Systems' timekeeping policies and/or practices resulted in Plaintiff and other non-exempt employees not being compensated for all hours actually worked. Specifically, Plaintiff alleges that Plaintiff and other non-exempt employees clocked in and out for their work shifts through a computer, however, RTI Systems' policies/practices were to only compensate them for eight (8) scheduled hours each workday, despite Plaintiff or other

1 non-exempt employees working shifts greater than eight (8) hours in length. As a result of these
2 policies/practices, RTI Systems failed to compensate Plaintiff and other non-exempt employees
3 for all minimum and overtime wages owed. Based on Plaintiff's analysis and extrapolation of
4 RTI Systems' timekeeping and payroll records, Plaintiff estimated that RTI Systems' timekeeping
5 policies/practices resulted in approximately 2.72 hours of unpaid time per pay period. Because
6 employees generally worked shifts of at least eight (8) hours, Plaintiff contends that these unpaid
7 wages must be paid at an overtime rate of pay. Therefore, Plaintiff estimates RTI Systems'
8 maximum exposure for this claim at approximately \$367,271 (4,778 pay period * 2.72 unpaid
9 hours * \$28.26 average overtime rate of pay). However, RTI Systems counters that its
10 timekeeping policies/practices complied with California law and that it has always properly
11 compensated Settlement Class members for all hours worked throughout the Class Period. RTI
12 Systems also contends that any unpaid time could have only amounted to a few minutes per day,
13 at most, and was thus *de minimis*. RTI Systems further argues that it is not possible for Settlement
14 Class members to perform compensable work outside of their scheduled shift. Finally, RTI
15 Systems asserts that Plaintiff would be unable to certify this claim since its timekeeping policy is
16 facially neutral, and individualized inquiries would be necessary as to whether employees were
17 in fact underpaid or overpaid for each workday in question (including whether they were actually
18 working when they were clocked in), resulting in an unmanageable series of mini-trials. Based
19 on these defenses, Plaintiff discounted the estimated maximum amount by 50% for risk of non-
20 certification, and by an additional 50% to account for risk of losing on the merits or failure to
21 recover the maximal amount sought, to arrive at an estimated exposure of approximately \$91,818.

22 16. Plaintiff alleges RTI Systems failed to provide legally compliant first meal periods
23 because RTI Systems' policies/practices failed to provide Plaintiff and other non-exempt
24 employees with a timely, duty-free, and uninterrupted 30-minute meal period commencing before
25 the end of the fifth hour of work. Plaintiff alleges that RTI Systems required Plaintiff and other
26 non-exempt employees to remain on the clock and on duty for the entirety of their shift due to
27 RTI Systems' work demands. Specifically, Plaintiff alleges he was required to monitor multiple
28 surveillances cameras throughout the duration of his work shift and was not able to take an off-

1 duty meal period. RTI systems acknowledged this fact, as they paid Plaintiff for the time he was
2 taking a meal period. Plaintiff alleges that RTI Systems did not maintain a lawful on-duty meal
3 period agreement given the nature of the work performed by Plaintiff and other non-exempt
4 employees, resulting in meal period liability. Based on Plaintiff's review and extrapolation of the
5 timekeeping data produced by RTI Systems, there were approximately 45,593 non-compliant
6 meal periods during the Class Period. In addition, based on data provided by RTI Systems,
7 Settlement Class members' average hourly rate of pay during the Class Period was approximately
8 \$18.84 per hour. Therefore, Plaintiff calculated RTI Systems' maximum exposure on this claim
9 at approximately \$858,972 (45,593 non-compliant first meal periods * \$18.84 average meal
10 period premium). However, RTI Systems counters it has maintained compliant written meal
11 period policies throughout the Class Period and has always provided compliant meal periods in
12 line with those policies. RTI Systems further contends that it always *provides* employees the
13 opportunity to take meal periods and is not required to *ensure* they are taken. Thus, RTI Systems
14 argues that any missed, late or short meal periods resulted from lawful employee choice rather
15 than any policy and/or practice of RTI Systems. Finally, RTI Systems maintains Plaintiff's meal
16 period claim is not suited for class certification since individual inquiries would be needed to
17 assess which employees took non-compliant or missed meal periods, how many meal periods
18 were non-compliant or missed, the reasons why a particular employee did not take a meal period
19 on a particular shift. In light of these defenses and arguments, Plaintiff discounted RTI Systems'
20 maximum exposure by 60% for the risk of non-certification, and an additional 65% to account
21 for RTI Systems' defenses on the merits, to arrive at an estimated exposure of approximately
22 \$120,256.

23 17. Plaintiff alleges RTI Systems failed to authorize and permit all required off-duty
24 rest periods. Specifically, Plaintiff was not authorized or permitted to take any off-duty rest period
25 during his work shifts due to work demands imposed by RTI Systems. As with Plaintiff's meal
26 period claim, Plaintiff alleges that he was required to monitor surveillance cameras at all times
27 throughout his shift, thereby preventing Plaintiff from being relieved to take off-duty rest periods.
28 Based on Plaintiff's analysis and extrapolation of RTI Systems' timekeeping records, Plaintiff

1 estimates there were approximately 47,785 non-compliant rest periods during the Class Period.
2 Therefore, Plaintiff estimates RTI Systems' maximum potential exposure for rest period
3 violations at approximately \$900,269 (47,785 rest period violations * \$18.84 average premium).
4 However, RTI Systems counters that it has maintained compliant written rest period policies
5 throughout the Class Period and has always authorized and permitted employees a 10-minute rest
6 period for each four (4) hours worked, or major fraction thereof, as required under the Wage
7 Order, and that any failure to take rest periods was a result of employee choice, rather than any
8 RTI Systems' policy and/or practice. RTI Systems also argues that Plaintiff's rest period claim is
9 not amenable to class treatment, since individual inquiries would be required to determine which
10 employees failed to take rest periods, how many rest periods they failed to take, and the reasons
11 why each employee failed to take rest period(s) on a particular shift. These manageability
12 concerns are especially present with respect to rest period claims, RTI Systems argues, given that
13 rest periods are not recorded. Given these defenses, Plaintiff discounted this maximum amount
14 by 75% for risk of non-certification and an additional 70% for a risk of being unsuccessful on the
15 merits or of failing to recover the full amount sought, to arrive at an estimated realistic exposure
16 of approximately \$67,520.

17 18. As a result of the unpaid wages and unpaid meal and rest period premium wages
18 described above, Plaintiff alleges that RTI Systems is liable for wage statement penalties. Those
19 penalties are calculated as \$50 for each "initial" violation and \$100 for each "subsequent"
20 violation, with a maximum of \$4,000 per employee. *See* Labor Code § 226(e). Plaintiff's analysis
21 reflected that there were approximately 143 unique employees and approximately 3,127 pay
22 periods worked during the liability period applicable to Plaintiff's wage statement claim.
23 Therefore, Plaintiff calculated RTI Systems' potential wage statement exposure at approximately
24 \$305,550 ([143 "initial" violations * \$50] + [2,984 "subsequent" violations * \$100]). RTI
25 Systems argues any alleged wage statement violations were not "knowing and intentional," and
26 Plaintiff cannot show he or other employees "suffer[ed] injury" due to the alleged wage statement
27 violations, as required by Labor Code § 226(e) for the imposition of penalties. Further, RTI
28 Systems contends its wage statements always accurately reflected hours worked and amounts

1 paid as well as all other required information, precluding liability for wage statement penalties.
2 Based on these defenses, Plaintiff discounted the maximum exposure by 70% for risk of non-
3 certification, and by an additional 70% for risk of being unsuccessful on the merits, for an
4 estimated realistic exposure of approximately \$27,499.

5 19. As a further result of the unpaid wages and unpaid meal and rest period premium
6 wages described above, Plaintiff alleges that RTI Systems failed to comply with its final pay
7 obligations set forth in Labor Code §§ 201-203. RTI Systems' records reflected approximately
8 109 former Settlement Class members who are eligible for waiting time penalties. Based on an
9 hourly rate of \$18.84, Plaintiff estimated the average waiting time penalty per former employee
10 to be approximately \$4,521 ($\$18.84 \times 8 \text{ hours per day} \times 30 \text{ days}$). Therefore, Plaintiff calculated
11 RTI Systems' maximum exposure for potential waiting time penalties to be approximately
12 \$492,789 ($109 \text{ former employees} \times \$4,521 \text{ average penalty}$). However, RTI Systems argues that
13 it possesses strong, good faith defenses to Plaintiff's underlying claims, thus precluding recovery
14 of waiting time penalties, which are only available for the "willful" failure to pay wages. RTI
15 Systems further asserts that Plaintiff's waiting time penalty exposure was grossly inflated as not
16 every former employee experienced the alleged Labor Code violations. Moreover, because the
17 waiting time claim is derivative of Plaintiff's underlying wage claims, Plaintiff would need to
18 overcome RTI Systems' defenses, both as to class certification and on the merits, as to her
19 underlying claims. To account for RTI Systems' defenses, Plaintiff discounted the maximum
20 exposure by 70% for the risk of non-certification and an additional 65% for the risk of losing on
21 the merits and/or not receiving the maximum penalties sought, to arrive at an estimated exposure
22 of approximately \$51,743.

23 20. As a result of the foregoing Labor Code violations, Plaintiff alleges that RTI
24 Systems is liable for civil penalties under the PAGA. Plaintiff estimated a maximum total PAGA
25 exposure of approximately \$312,700 ($3,127 \text{ pay periods} \times \$100 \text{ "initial" penalty}$). Since
26 Plaintiff's PAGA claim is derivative of Plaintiff's underlying wage claims, RTI Systems asserts
27 the PAGA claim would fail with those claims. RTI Systems further maintains that, given its good
28 faith defenses, this Court would exercise its discretion to substantially reduce any PAGA penalties

1 if it were to find RTI Systems liable for any of Plaintiff's claims. Therefore, Plaintiff discounted
2 the maximum figure by 70% for the risk of losing on the merits and/or not recovering a PAGA
3 penalty for each and every pay period, and an additional 75% to account for the possibility of this
4 Court reducing penalties to arrive at an estimated exposure of approximately \$23,452.

5 21. Using these estimated figures for each of the claims described above, Plaintiff
6 predicted that the potential recovery for the Settlement Class would be approximately \$382,288.
7 Thus, the proposed Settlement of \$275,000.00 represents approximately 72% of the reasonably
8 forecasted recovery for the Settlement Class.

9 22. Although the parties engaged in significant informal discovery prior to mediation,
10 the parties still had significant formal discovery to complete had the matter not been settled. This
11 would have required the expenditure of substantial time and resources by both parties that would
12 have very likely spanned several years. Even if Plaintiff was to certify the classes, the parties
13 would incur considerably more attorneys' fees and costs through a possible decertification
14 motion, trial, and possible appeal. This Settlement avoids those risks and the accompanying
15 expense.

16 23. My office will request an attorneys' fees award of one-third of the Gross
17 Settlement Amount, which is currently estimated to be \$91,666.66, and up to \$25,000 in verified
18 costs reimbursement. Plaintiff submits the requested fee is fair compensation for undertaking
19 complex, risky, expensive, and time-consuming litigation on a purely contingent fee basis. Class
20 Counsel has incurred substantial attorneys' fees conducting pre-filing investigation, analyzing
21 Plaintiff's claims, conducting legal research, conducting extensive informal discovery, analyzing
22 Settlement Class members' timekeeping and payroll records, creating a comprehensive damages
23 model, preparing for and attending mediation, negotiating and preparing the long-form Settlement
24 Agreement, preparing this Motion, and otherwise litigating the case. Class Counsel expects to
25 expend additional attorney time in attending the hearing on this Motion, overseeing the Notice
26 process and fielding questions from Settlement Class members, preparing the final approval
27 papers, and attending the Final Approval hearing.

24. Plaintiff will apply for Class Representative Enhancement Award at the time of seeking final approval of the proposed class action settlement in the amount of \$7,500.00 for his service to the Settlement Class. I believe this is reasonable given Plaintiff's efforts in this case as well as the significant risks Plaintiff undertook by agreeing to serve as the named Plaintiff in this case and agreeing to a general release of all claims subject to a waiver of California Civil Code section 1542. Plaintiff was integral in the prosecution of this action, by, among other things, providing substantial factual information and documents to Class Counsel, discussing the claims and theories at issue in the litigation, and otherwise actively participating in the prosecution of his claims.

25. I am not aware of any conflict between myself or any member of my firm, Haines Law Group, APC, and any member of the Settlement Class. Nor am I aware of any conflict between Plaintiff and any member of the Settlement Class.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on October 30, 2023, at El Segundo, California.


Sean M. Blakely

EXHIBIT A

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: [Signature]
Title: VP

DATED: Sept 20, 2023

DEFENDANT RTI SYSTEMS PS

By: [Signature]
Title: VP

DATED: Sep 22, 2023, 2023

PLAINTIFF JAYVIN JACOBS

By: [Signature]
Title: Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: 9/21, 2023

LAW OFFICES OF JEFFREY EPSTEIN

By: [Signature]
Jeffrey Epstein
Attorneys for Defendants

DATED: 9/22, 2023

HAINES LAW GROUP, APC

By: [Signature]
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
--	--

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>>.**

EXHIBIT B

HAINES LAW GROUP
EMPLOYMENT ATTORNEYS

October 23, 2020

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

Re: *Jayvin Jacobs v. RTI Systems, Inc., et al.*

To Whom It May Concern:

Please be advised that this law firm represents Jayvin Jacobs (“Mr. Jacobs”) in claims arising from his employment with RTI Systems, Inc.; RTI Systems PS; and Does 1 through 100 (collectively “RTI”). Mr. Jacobs is an “aggrieved employee” as defined by Labor Code Section 2698 *et seq.*, due to RTI’s numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code Section 2699.3, which requires aggrieved employees to notify their employer and the Labor & Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. For purposes of this letter, “aggrieved employees” include all of RTI’s non-exempt employees who worked for RTI in California during the one year immediately preceding the date of this letter through the present.

RTI provides remote security and surveillance services to construction sites and retail, commercial, and hospitality properties. Mr. Jacobs was employed by RTI as a non-exempt employee in the position of “operator” from approximately March 2018 until his termination on or about September 18, 2020. Mr. Jacobs’ job duties included monitoring multiple surveillance cameras at RTI’s Burbank, California office.

Throughout Mr. Jacobs’ and other aggrieved employees’ employment with RTI, RTI’s timekeeping policies and/or practices resulted in Mr. Jacobs and other aggrieved employees not being compensated for all hours actually worked. During Mr. Jacobs’ and other aggrieved employees’ employment with RTI, Mr. Jacobs and other aggrieved employees clocked in and out for their work shifts through a computer; however, RTI’s policies/practices were to only compensate Mr. Jacobs and other aggrieved employees for eight (8) hours each workday, despite Mr. Jacobs and other aggrieved employees regularly working shifts greater than eight (8) hours in length. As a result of these policies/practices, RTI failed to compensate Mr. Jacobs and other aggrieved employees for all minimum and overtime wages owed.

RTI’s meal period policies/practices failed to provide Mr. Jacobs and other aggrieved employees with all legally compliant meal periods because RTI failed to

provide Mr. Jacobs and other aggrieved employees with a timely, duty-free, and uninterrupted 30-minute meal period commencing before the end of the fifth hour of work. Specifically, Mr. Jacobs and other aggrieved employees were required to work through their meal periods because RTI's work demands prevented Mr. Jacobs and other aggrieved employees from taking off-duty meal periods, as Mr. Jacobs and other aggrieved employees were required to monitor multiple surveillance cameras throughout the duration of their work shifts. RTI acknowledged that Mr. Jacobs and other aggrieved employees were not provided with an off-duty meal period, as RTI paid them for the time that they were purportedly taking a meal period. However, despite paying Mr. Jacobs and other aggrieved employees for their meal periods as if they were on duty, upon information and belief, RTI maintained no legally valid on-duty meal period agreement with Mr. Jacobs and other aggrieved employees, nor could RTI lawfully utilize an on-duty meal period agreement given the nature of the work. Additionally, despite clocking in and out of their work shifts through a computer, RTI did not require Mr. Jacobs and other aggrieved employees to clock out/in or otherwise record their meal periods. On those occasions when Mr. Jacobs and other aggrieved employees were not provided with all legally-required and compliant meal periods to which they were entitled, RTI failed to compensate Mr. Jacobs and other aggrieved employees with the required meal period premium for each workday in which they experienced a meal period violation as mandated by Labor Code § 226.7. Upon information and belief, during at least a portion of the relevant time period, RTI maintained no payroll code for paying meal period premiums under Labor Code § 226.7, in the event a legally-compliant meal period was not provided to its non-exempt employees.

Mr. Jacobs and other aggrieved employees were not authorized and permitted to take all required and legally-compliant rest periods due to RTI's rest period policies/practices, which failed to authorize and permit a net 10-minute off-duty rest period for every four hours worked, or major fraction thereof. Specifically, Mr. Jacobs and other aggrieved employees were not authorized or permitted to take any off-duty rest periods during their work shifts due to work demands, which required Mr. Jacobs and other aggrieved employees to monitor multiple surveillance cameras throughout the duration of their work shift. On those occasions when Mr. Jacobs and other aggrieved employees were not authorized and permitted to take all legally-required and compliant rest periods to which they were entitled, RTI failed to compensate Mr. Jacobs and other aggrieved employees with the required rest period premium for each workday in which they experienced a rest period violation as mandated by Labor Code § 226.7. Upon information and belief, RTI maintained no mechanism for the payment of rest period premiums as required by Labor Code § 226.7, in the event that a legally-compliant rest period was not authorized and permitted to their non-exempt employees.

As a result of RTI's failure to pay all minimum and overtime wages and failure to pay all meal and rest period premium wages, RTI failed to timely pay all final wages to Mr. Jacobs and other former employees upon their separation of employment from RTI, and maintained inaccurate payroll records and issued inaccurate wage statements to Mr. Jacobs and other aggrieved employees.

As described above, RTI committed the following violations of the Labor Code, and Industrial Welfare Commission Wage Order 4 (“Wage Order 4”):

Overtime Wage Violations

RTI was required to pay Mr. Jacobs and other aggrieved employees overtime wages for all hours worked in excess of eight hours per workday and/or forty hours per workweek. *See* Labor Code §§ 510, 1194 and 1198; Wage Order 4, § 3. According to Labor Code § 510(a), “Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee.” This Section further provides, “Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee.” As alleged above, RTI caused Mr. Jacobs and other aggrieved employees to work overtime hours, but failed to credit these employees with all overtime hours actually worked. As a result of these policies/practices, Mr. Jacobs and other aggrieved employees were not compensated for all overtime and double-time wages.

Minimum Wage Violations

RTI was required to pay Mr. Jacobs and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. *See* Labor Code §§ 1182.12, 1194; 1194.2, 1197; Wage Order 4, § 4. As alleged above, RTI failed to conform its pay practices to the requirements of the law by failing to pay Mr. Jacobs and other aggrieved employees for all hours worked, including, but not limited to, all hours they were subject to the control of RTI and/or suffered or permitted to work under the California Labor Code and Wage Order 4. As a result of these policies/practices, which fail to compensate for all hours worked, Mr. Jacobs and other aggrieved employees were deprived of all required minimum wages.

Meal Period Violations

As alleged above, RTI failed to provide Mr. Jacobs and other aggrieved employees with all required and compliant meal periods. *See* Labor Code §§ 226.7 and 512; Wage Order 4, § 11. As a result, Mr. Jacobs and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal or rest or recovery period in accordance with ... [an] order of the Industrial Welfare Commission ... the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest or recovery period is not provided.”).

Rest Period Violations

As alleged above, RTI also failed to authorize and permit Mr. Jacobs and other aggrieved employees to take all required rest periods. *See* Labor Code §§ 226.7 and 516; Wage Order 4, § 12. As a result, Mr. Jacobs and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”)

Wage Statement Violations

RTI was required to furnish Mr. Jacobs and other aggrieved employees with complete and accurate itemized wage statements that showed, among other things, their rates of pay, corresponding number of hours worked at each rate of pay, total gross wages earned, total net wages earned. *See* Labor Code §§ 226(a) and 1174(d); Wage Order 4, § 7. As a result of RTI’s failure to pay all overtime and minimum wages, and failure to pay all required meal and rest period premium wages, RTI maintained inaccurate payroll records and issued inaccurate wage statements to Mr. Jacobs and other aggrieved employees in violation of Labor Code § 226. RTI’s failure to comply with its wage statement obligations was knowing and intentional, and Mr. Jacobs and other aggrieved employees have suffered injury as a result.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. RTI failed to timely pay Mr. Jacobs and other aggrieved employees all of their final wages at the time of separation, which included all overtime, double-time, and minimum wages as well as all meal and rest period premium wages. Pursuant to Labor Code § 203, RTI’s failure to pay all final wages due to Mr. Jacobs and other aggrieved employees was willful and, consequently, entitles Mr. Jacobs and other aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day RTI failed to pay their final wages after their separation, up to a maximum of thirty days.

As an “aggrieved employee,” Mr. Jacobs will initiate a civil action on behalf of himself and other aggrieved employees to recover civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Jacobs’s own investigation, and on information and belief, RTI committed and continues to commit the following Labor Code violations:

- a. RTI violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Mr. Jacobs and other aggrieved employees all overtime compensation earned;

- b. RTI violated Labor Code §§ 1182.12, 1194, 1194.2, 1197, and 1198 by failing to pay Mr. Jacobs and other aggrieved employees the statutory minimum wage for all hours worked;
- c. RTI violated Labor Code §§ 226.7, 512, 558, and 1198 by failing to provide meal periods as required by law and failing to pay meal period premiums to Mr. Jacobs and other aggrieved employees at these employees' respective regular rates of compensation for meal period violations;
- d. RTI violated Labor Code §§ 226.7, 516, 558, and 1198 by failing to authorize and permit Mr. Jacobs and other aggrieved employees all required rest periods and failing to pay rest period premiums to Mr. Jacobs and other aggrieved employees at these employees' respective regular rates of compensation for rest period violations;
- e. RTI violated Labor Code § 226 by failing to furnish Mr. Jacob and other aggrieved employees with accurate and compliant itemized wage statements;
- f. RTI violated Labor Code §§ 201, 202, and 203 by failing to timely pay all final wages due to Mr. Jacobs and other aggrieved employees;
- g. RTI violated Labor Code § 204 by failing to pay Mr. Jacobs and other aggrieved employees all wages earned at least twice during each calendar month; and
- h. RTI violated Labor Code §§ 1174 and 1198 by failing to maintain accurate records on behalf of Mr. Jacobs and other aggrieved employees.

Pursuant to Labor Code Section § 2699.3(a)(2)(A), please notify us and RTI if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
HAINES LAW GROUP, APC



Paul K. Haines

cc: RTI Systems, Inc. (via certified mail)
RTI Systems PS (via certified mail)

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL

Certified Mail Fee

\$

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$

☐ Return Receipt (electronic) \$

☐ Certified Mail Restricted Delivery \$

☐ Adult Signature Required \$

☐ Adult Signature Restricted Delivery \$

Postage

\$

Total

\$

Sent

Street

City

RTI Systems PS

c/o Steven G. Sorell

140 South Lake Ave., Suite 349

Pasadena, CA 91101 (Attn AC)

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

RTI Systems PS
 c/o Steven G. Sorell
 140 South Lake Ave., Suite 349
 Pasadena, CA 91101



9590 9402 5237 9122 8689 68

2. Article Number (Transfer from service label)

7019 2280 0002 0357 3313

PS Form 3811, July 2015 PSN 7530-02-000-9063

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Karen Myers*

☒ Agent

☐ Addressee

B. Received by (Printed Name)

Karen Myers

C. Date of Delivery

10-26-20

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type

☐ Adult Signature

☐ Adult Signature Restricted Delivery

☒ Certified Mail®

☐ Certified Mail Restricted Delivery

☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery

☐ Insured Mail

all Restricted Delivery

☐ Priority Mail Express®

☐ Registered Mail™

☐ Registered Mail Restricted Delivery

☐ Return Receipt for Merchandise

☐ Signature Confirmation™

☐ Signature Confirmation Restricted Delivery

Domestic Return Receipt