

may be permissible in the context of a suit brought by employees under the FLSA for back wages because initiation of the action by employees provides some assurance of an adversarial context. The employees are likely to be represented by an attorney who can protect their rights under the statute. Thus, when the parties submit a settlement to the court for approval, the settlement is more likely to reflect a reasonable compromise of disputed issues than a mere waiver of statutory rights brought about by an employer's overreaching.”).

In reviewing a settlement of an FLSA private claim, a court must “scrutiniz[e] the settlement for fairness,” *id.* at 1353, and determine that the settlement is a “fair and reasonable resolution of a bona fide dispute over FLSA provisions,” *id.* at 1355. “If a settlement in an employee FLSA suit does reflect a reasonable compromise over issues, such as FLSA coverage or computation of back wages, that are actually in dispute[,] . . . the district court [may] approve the settlement in order to promote the policy of encouraging settlement of litigation.” *Id.* at 1354.

Stalnaker v. Novar Corp., 293 F. Supp. 2d 1260, 1262-63 (M.D. Ala. 2003).

The court finds that plaintiff's claims represent a bona fide dispute over FLSA provisions, specifically whether defendants had a uniform policy and practice of requiring employees to participate in an illegal and invalid tip pool, and whether, based on plaintiff's contributions to the tip pool, defendants paid plaintiff for all hours worked and whether it paid him time and half for all hours worked over forty in a given workweek. Based on the parties' representations, the court finds that the terms of the parties' Settlement Agreement – including the amount of attorneys' fees and the amount paid for plaintiff's confidentiality – is a fair and reasonable compromise of these bona fide disputes.

An Order granting the parties' Joint Motion to Approve Settlement Agreement, (doc. 65), will be entered contemporaneously with this Memorandum Opinion.

DONE this 27th day of January, 2017.

Sharon Lovelace Blackburn

SHARON LOVELACE BLACKBURN
SENIOR UNITED STATES DISTRICT JUDGE