

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
CASE NO. 10-23696-CIV-SEITZ/O'SULLIVAN

RAUL ESTRADA et al.,

Plaintiffs,

v.

ALEXIM TRADING CORP.,

Defendant.

**ORDER APPROVING SETTLEMENT AGREEMENT AND
RECOMMENDING THAT CERTAIN CLAIMS¹ BE DISMISSED WITH PREJUDICE**

THIS MATTER came before the Court following a settlement conference before the undersigned and the Court having conducted a hearing concerning the settlement.

THE COURT has heard from counsel and considered the terms of the Settlement Agreement, the pertinent portions of the record, and is otherwise fully advised in the premises.

This case involves claims for unpaid overtime compensation under the Fair Labor Standards Act, 29 U.S.C. §201, *et seq* ("FLSA"). In reviewing a settlement of an FLSA private claim, a court must "scrutiniz[e] the settlement for fairness," and determine that the settlement is a "fair and reasonable resolution of a bona fide dispute over FLSA provisions." Lynn Food Stores v. United States, 679 F.2d 1350, 1352-53 (11th Cir. 1982). A settlement entered into in an adversarial context where both sides are represented by counsel throughout litigation "is more likely to reflect a reasonable compromise of disputed issues." *Id.* The district court may approve the settlement in

¹ At the December 7, 2010 settlement conference, plaintiffs Raul Estrada, Marciel Ferrero and Gildaedo Ramirez agreed to settle their FLSA claims. Plaintiff Felix Velez did not settle his claims.

order to promote the policy of encouraging settlement of litigation. Id. at 1354.

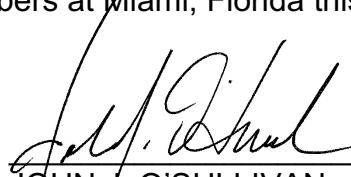
In this case, there is a bona fide dispute as to the amount of overtime owed to the plaintiffs. The Court has reviewed the terms of the Settlement Agreement including the amount to be received by plaintiffs Estrada, Ferrero and Ramirez and the attorney's fees and costs to be received by counsel and finds that the compromise reached by the parties is a fair and reasonable resolution of the parties' bona fide disputes.

Accordingly, it is

ORDERED AND ADJUDGED that the parties' Settlement Agreement (including attorney's fees and costs) is hereby APPROVED. It is further

RECOMMENDED that plaintiffs Estrada, Ferrero and Ramirez's FLSA claims be dismissed with prejudice and that the Court **retain jurisdiction until Monday, January 31, 2011** to enforce the terms of the settlement. The parties have agreed and the undersigned recommends that plaintiff Raul Estrada's worker's compensation retaliation claim outlined in Count I of the First Amended Complaint should be remanded to state court. The claims of plaintiff Felix Velez are not affected by this Settlement.

DONE AND ORDERED in Chambers at Miami, Florida this **7th** day of December, 2010.



JOHN J. O'SULLIVAN
UNITED STATES MAGISTRATE JUDGE

Copies provided to:
United States District Judge Seitz
All counsel of record

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