

ENTERED

April 23, 2025

Nathan Ochsner, Clerk

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

CASE NO: 4:24-cv-02263

ELIZABETH SMITH, and all others
similarly situated pursuant to
29 U.S.C. § 216(b),

Plaintiff(s),

v.

KEYSTONE ADVISORS, LLC,

Defendant.

PRELIMINARY APPROVAL ORDER

This matter coming to be heard on Plaintiff's *Agreed* Motion for Preliminary Approval of Proposed Collective Settlement, Joint Stipulation to Certification, Appointment of Plaintiffs' Counsel as Counsel for the Collective, and Approval of the Proposed Notice of Opportunity to Join the Settlement and Collective Action Settlement Procedure and Memorandum of Law in Support (the "Motion"), and the Court having reviewed in detail and considered the Motion and memorandum in support of the Motion, the Stipulated Collective Action Settlement Agreement ("Settlement Agreement") between Plaintiff, ELIZABETH SMITH, for herself individually and on behalf of the Settlement Collective, and Defendant, KEYSTONE ADVISORS, LLC ("Defendant") (together "the Parties"), and all other papers that have been filed with the Court concerning the Settlement Agreement, including all exhibits and attachments to the Motion and the Settlement Agreement, and for good cause being shown,

IT IS HEREBY ORDERED, ADJUDGED, and DECREED as follows:

1. Capitalized terms used in this Order that are not otherwise defined herein have the same meaning assigned to them as in the Settlement Agreement.
2. The terms of the Settlement Agreement are preliminarily approved as fair, reasonable, and adequate resolution to a *bona fide* wage and hour dispute. There is good cause to find that the Settlement Agreement was negotiated at arm's length and in good faith between the

Parties, who were represented by experienced class and collective action counsel familiar with the legal and factual issues of this case.

3. Based on this preliminary evaluation, the Court finds that the Settlement Agreement meets all applicable requirements of 29 U.S.C. § 216(b) for settlement purposes only, including that the Settlement Collective is sufficiently numerous, that there are questions of law and fact common to members of the Settlement Collective that predominate, that the proposed Class Representative fairly and adequately protects the interests of the Settlement Collective, and that class treatment is an appropriate method for the fair and efficient adjudication of the Action.

4. In accordance with the Settlement Agreement, the Court hereby preliminarily certifies, for the purposes of settlement only, the following:

a. A Settlement Collective under 29 U.S.C. § 216(b) of the Fair Labor Standards Act consisting of:

All Insurance Sales Agents employed by Defendant during the previous three (3) years who were allegedly misclassified as independent contractors and worked more than forty (40) hours in a workweek.

Excluded from the Settlement Collective are: (1) any Judge or Magistrate presiding over this action and members of their families; (2) the Defendant, Defendant's subsidiaries, parent companies, successors, predecessors, and any entity in which the defendant or its parents have a controlling interest; (3) persons who properly execute and file a timely request for exclusion from the Settlement Collective; and (4) the legal representatives, successors, or assigns of any such excluded persons.

b. A collective action under the Fair Labor Standards Act, consisting of all members of the Settlement Collective who submit a Consent to Join Form. Members of the Settlement Collective who submit a Consent to Join Form will be deemed to have consented in writing to become a party to this action for purposes of 29 U.S.C. § 216(b).

5. For settlement purposes, Plaintiff, ELIZABETH SMITH, is appointed as Class Representative.

6. For settlement purposes, the following counsel are hereby appointed Class Counsel:

Jordan Richards
Jordan Richards PLLC
d/b/a USA Employment Lawyers
1800 SE 10th Ave. Suite 205
Fort Lauderdale, Florida 33316
Tel: (954) 871-0050
jordan@jordanrichardspllc.com

Michael Miller
Jordan Richards PLLC
d/b/a USA Employment Lawyers
1800 SE 10th Ave. Suite 205
Fort Lauderdale, Florida 33316
Tel: (954) 871-0050
michael@usaemploymentlawyers.com

Joshua H. Eggnatz
Eggnatz Pascucci, P.A.
7450 Griffin Road, Suite 230
Davie, Florida 33314
Tel: (954) 889-3359
jegggnatz.justiceearned.com

7. The Court recognizes that, pursuant to the Settlement Agreement, Defendant retains all rights to object to the propriety of collective certification in the Action in all other contexts and for all other purposes should the Settlement not be finally approved. Therefore, as more fully set forth below, if the Settlement is not finally approved, and the Action resumes, this Court's preliminary findings regarding the propriety of collective certification shall be of no further force or effect whatsoever, and this Order will be vacated in its entirety.

8. The Court approves the proposed plan for giving Notice to the Settlement Collective as fully described in the Settlement Agreement. The plan for giving Notice, in form, method, and content, fully complies with the requirements of 29 U.S.C. §216(b) and due process, and is due and sufficient notice to all persons in the Settlement Collective. In addition, the Court finds that no notice other than that specifically identified in the Settlement Agreement is necessary in this Action.

9. Apex Class Action Administration is hereby appointed Settlement Administrator to supervise and administer the notice process, as well as to oversee the administration of the Settlement, as fully set forth in the Settlement Agreement. The Settlement Administrator may proceed with the distribution of the Notice as set forth in the Settlement Agreement. The Court

hereby directs the Parties and Settlement Administrator to complete all aspects of the Notice plan ~~within 28 days, or by~~ May 31, ~~2024~~ ²⁰²⁵ ~~(ASH)~~.

10. Settlement Collective Members who wish to receive benefits under the Settlement Agreement must complete and submit a valid Consent to Join Form in accordance with the instructions provided in the Notice on or before July 31, ~~2024~~ ²⁰²⁵ ~~(ASH)~~. By submitting a Consent to Join Form, the Settlement Collective Member consents in writing to become a party to this action for purposes of 29 U.S.C. § 216(b). The Court hereby approves as to form and content the Consent to Join Form attached to the Settlement Agreement as Exhibit A.

11. All Consent to Join Forms must be mailed via U.S. Mail to the address specified in the Consent to Join Form no later than July 31, ~~2024~~ ²⁰²⁵ ~~(ASH)~~. Settlement Collective Members who do not timely submit a Consent to Join Form deemed to be valid in accordance with Paragraph 1.4 of the Settlement Agreement shall not be entitled to receive any portion of the Settlement Fund.

12. Any Settlement Collective Member (who has not excluded himself or herself) may comment in support of, or in opposition to, the Settlement Agreement at his or her own expense; provided, however, that all comments and objections must be: (1) filed with the Court; and (2) e-mailed to Class Counsel and Defendant's Counsel no later than August 16, ~~2024~~ ²⁰²⁵ ~~(ASH)~~. Any person in the Settlement Collective who intends to object to this Settlement Agreement must present the objection in writing, which must be personally signed by the objector and must include: (a) the Settlement Collective Member's full name and current address; (b) a statement why he or she believes himself or herself to be a member of the Settlement Collective; (c) the specific grounds for the objection; (d) all documents or writings that the Settlement Collective member desires the Court to consider; (e) the name and contact information of any and all attorneys representing, advising, or in any way assisting the objector in connection with the preparation or submission of the objection or who may profit from the pursuit of the objection; and (f) a statement indicating whether the objector intends to appear at the Final Approval Hearing (either personally or through counsel, who must file an appearance or seek *pro hac vice* admission).

13. Addresses for Class Counsel, Defendant's Counsel, the Settlement Administrator, and the Clerk of Court are as follows:

Class Counsel:

Jordan Richards
Jordan Richards PLLC
d/b/a USA Employment Lawyers
1800 SE 10th Ave. Suite 205
Fort Lauderdale, Florida 33316
jordan@jordanrichardspllc.com

Michael Miller
Jordan Richards PLLC
d/b/a USA Employment Lawyers
1800 SE 10th Ave. Suite 205
Fort Lauderdale, Florida 33316
Tel: (954) 871-0050
michael@usaemploymentlawyers.com

Joshua H. Eggnatz
Eggnatz Pascucci, P.A.
7450 Griffin Road, Suite 230
Davie, Florida 33314
Tel: (954) 889-3359
jegggnatz.justiceearned.com

Settlement Administrator:

Apex Class Action Administration
18 Technology Drive, Suite 164
Irvine, California 92618

Defendant's Counsel:

Stephanie M. Harp, Esq
Attorney at Law
P.O. Box 450146
Houston, Texas 77245
harp@texastrialatty.com

Clerk of Court:

U.S. District Court
Southern District of Texas
515 Rusk Avenue
Houston, Texas 77002

14. A Settlement Collective Member who has properly submitted a written objection in compliance with the Settlement Agreement, may appear at the Final Approval Hearing in person or through counsel to show cause why the proposed Settlement should not be approved as fair, reasonable, and adequate. Attendance at the hearing is not necessary; however, persons wishing to be heard orally in opposition to the approval of the Settlement or Class Counsel's requested Fee Award are required to indicate in their written objection their intention to appear at the Final Approval Hearing on their own behalf or through counsel. For any Settlement Collective Member who files a timely written objection and who indicates his/her intention to appear at the Final Approval Hearing on their own behalf or through counsel, such Settlement Collective Member must also include in his/her written objection the identity of any witnesses he/she may call to

testify, and all exhibits he/she intends to introduce into evidence at the Final Approval Hearing, which shall be attached. The Court will determine in its sole discretion whether to permit any objector to be heard or to present testimony at the Final Approval Hearing.

15. Any Settlement Collective Member who fails to timely file a written objection with the Court and notice his or her intent to appear at the Final Approval Hearing in accordance with the terms of this Order and as detailed in the Notice, and at the same time provide copies to designated counsel for the Parties, shall not be permitted to object to the Settlement Agreement at the Final Approval Hearing, and shall be foreclosed from seeking any review of the Settlement Agreement or Final Approval Order by appeal or other means and shall be deemed to have waived his or her objections and be forever barred from making any such objections in the Action or any other action or proceeding.

16. Class Counsel may file any motion seeking an award of attorneys' fees, costs and expenses, in accordance with the terms of the Settlement Agreement, no later than September 30, 2025, 2024. ~~10/1~~

17. All papers in support of final approval of the Settlement shall be filed no later than ten (10) days before the Final Approval Hearing.

18. A hearing (the "Final Approval Hearing") shall be held before the Court on October 20, 2025, at 10:00 am in Courtroom 9 D. (or at such other time or location or via Zoom Teleconference as the court may without further notice direct) for the following purposes:

(a) To finally determine whether the applicable prerequisites for Settlement Collective action treatment under 29 U.S.C. § 216(b) have been met;

(b) To determine whether the Settlement is fair, reasonable, adequate, and made in good faith, and should be approved by the Court;

(c) To determine whether the Final Approval Order as provided under the Settlement Agreement should be entered, including an order prohibiting Settlement Collective Members from further pursuing Released Claims as set forth in the Settlement Agreement;

(d) To consider the application for a Fee Award to Class Counsel;

(e) To consider the distribution of the Settlement Fund pursuant to the Settlement Agreement; and

(f) To rule upon such other matters as the Court may deem appropriate.

19. The Final Approval Hearing may be postponed, adjourned, transferred, or continued by order of the Court without further notice to the Settlement Collective. At or following the Final Approval Hearing, the Court may enter a judgment approving the Settlement Agreement and a Final Approval Order in accordance with the Settlement Agreement that adjudicates the rights of all Settlement Collective Members.

20. Settlement Collective Members do not need to appear at the Final Approval Hearing or take any other action to indicate their approval.

21. The Settlement Agreement and the proceedings and statements made pursuant to the Settlement Agreement or papers filed concerning the Settlement or this Order, are not and shall not in any event be described or construed as, or used, offered, or received against the Released Parties as evidence of or deemed to be evidence of any presumption, concession, or admission by any Released Party of: the truth of any fact alleged by Plaintiff; the validity of any Released Claim; the deficiency of any defense that has been or could have been asserted in the Action or in any litigation; or any liability, negligence, fault, or wrongdoing of any of the Released Parties. Defendant has denied and continues to deny the claims asserted by Plaintiff. Notwithstanding the foregoing, nothing contained herein shall be construed to prevent a Party from offering the Settlement Agreement into evidence for the purpose of enforcing the Settlement Agreement.

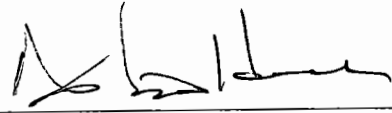
22. The Court hereby authorizes the Parties, without further approval of the Court, to agree to and adopt such amendments, modifications, and expansions of the Settlement Agreement and its implementing documents (including all exhibits to the Settlement Agreement) that shall be consistent in all material respects with the terms of the Final Approval Order and do not limit or impair the rights of the Settlement Collective.

23. For clarity, deadlines set forth above and in Settlement Agreement are as follows:

Notice to be completed by:	<u>May 31</u> , 2024 ²⁰²⁵
Fee Award Application by:	<u>July 31</u> , 2024 ²⁰²⁵
Objection Deadline:	<u>August 16</u> , 2024 ²⁰²⁵
Final Approval Submission:	<u>September 30</u> , 2024 ²⁰²⁵
Final Approval Hearing:	<u>October 20</u> , 2024 ²⁰²⁵ at 10:00 AM
Claims Deadline:	<u>December 31</u> , 2024 ²⁰²⁵

IT IS SO ORDERED.

ENTERED: 4/22/25

A handwritten signature in black ink, appearing to read 'A. Hanen', is written above a horizontal line.

HON. ANDREW S. HANEN
UNITED STATES DISTRICT JUDGE