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I. INTRODUCTION

Plaintiff Kathleen Fredericks (“Plaintiff”) brought this lawsuit individually and on behalf of other pilots who worked for Defendant Ameriflight, LLC (“Ameriflight”), as she did, under a training repayment agreement. Plaintiff alleged in this lawsuit that Ameriflight’s agreements and collections efforts violated various laws, including the Fair Labor Standards Act (“FLSA”) and Texas common law. On November 25, 2024, this Court granted conditional certification of an FLSA collective, pursuant to 29 U.S.C. § 216(b). The Court also certified a class, pursuant to Federal Rule of Civil Procedure 23, with unlawful penalty claims under Texas common law. *See* ECF No. 109. As a result of the notice that was issued to all eligible members of the FLSA collective, a total of 19 individuals opted in to the federal minimum wage claims and are presently represented by the undersigned counsel.¹ The Rule 23 class comprises 40 individuals, six of whom are also members of the FLSA collective.

As a result of a full-day mediation with John B. Shipp of Shipp ADR, on September 25, 2025, and subsequent negotiations, the parties finally reached a proposed settlement to resolve all claims in this case. The parties’ Settlement Agreement with attached exhibits (Exhibits A – C), is attached as Exhibit 1.

The proposed settlement is a fair and reasonable resolution of a bona fide dispute over the FLSA’s provisions for the 19 opt-in plaintiffs, and it is a fair, reasonable, and adequate settlement for the 40 Rule 23 class members, as discussed in detail below. In addition to affording each of them significant monetary and/or non-monetary recovery for the claims in this case, it will avoid the risks, uncertainties, costs, and delays inherent in further litigation. Accordingly, Plaintiff respectfully asks that the Court:

¹ An additional four opt-ins have been dismissed from the case because they failed to respond to discovery requests. *See* ECF No. 174.

1. Approve the notice procedure and authorize Plaintiff to issue notice to the collective and class in the forms attached to the parties' Settlement Agreement as Exhibits A - C;
2. Approve the distribution formula and payment procedure set forth in the parties' Settlement Agreement and this motion; and
3. Schedule a final fairness and approval hearing to take place on or around May 15, 2026, at which time Plaintiff will report to the Court the results of the notice process and explain why this settlement should be given final approval and the settlement fund distributed.

A proposed preliminary settlement approval order is attached as Exhibit 2.

II. TERMS OF THE PROPOSED SETTLEMENT

A. Settlement Amount and Allocation

The total amount of the settlement is \$425,000 ("Settlement Fund"). This amount is non-reversionary, meaning that no part of the Settlement Fund will revert back to Ameriflight. The settlement contemplates allocation of the Settlement Fund as follows: attorneys' fees in an amount not to exceed \$170,000; reasonable litigation costs incurred by class counsel, in an amount not to exceed \$45,000; a service award of \$10,000 for the named plaintiff, Kathleen Fredericks; costs of settlement administration in an amount not to exceed \$10,000; and the remainder of the Settlement Fund ("Net Settlement Fund"), an amount no less than \$190,000, to be distributed to the 19 opt-in plaintiffs and one member of the unlawful penalty class who made post-employment payments to Ameriflight.

B. Additional Relief

In addition to the monetary relief provided by the settlement, the settlement also entails substantial relief resulting from Ameriflight agreeing to forego collection of unpaid balances under the repayment agreements. Specifically, the training repayment agreements entered into by

the 19 opt-in plaintiffs and the unlawful penalty class members will be declared null and void. In addition, Ameriflight will release entitlement to and discontinue all collections efforts under the agreements, which amounts to approximately \$852,128 in waived balances. Third, Ameriflight will decline to enforce the non-competition provisions of the contracts that certain class members signed.

C. Proposed Notice Process

The settlement contemplates that notice and an opportunity to object to the settlement shall be afforded to all members of the Rule 23 Class. To the extent that members of the Rule 23 Class are also opt-in plaintiffs, they will be issued the “hybrid” notice attached as Exhibit A to the settlement agreement. Otherwise, members of the Rule 23 class will be issued the notice attached as Exhibit B. Opt-in plaintiffs who are not also members of the Rule 23 class will be issued the FLSA-only notice attached as Exhibit C (and will not be provided an opportunity to object to the settlement).

A settlement website will be established using the URL <https://www.traplawsuit.com>, or something similar, which will provide access to each version of the settlement notice, important Court documents, contact information for the settlement administrator and Class Counsel, a form to provide updated contact information, and a form to indicate preference for payment method (check, Venmo, PayPal, Zelle), as well as other information deemed necessary.

The proposed notice plan is for the settlement administrator to send the notices by first-class mail to the last known address of all opt-in plaintiffs and members of the Rule 23 class. The settlement administrator will also issue a brief notice by text and email (to the extent that telephone numbers and email addresses are available), containing a link to the settlement website. For individuals for whom the mailed notice is undeliverable, the settlement

administrator will use all reasonable efforts to locate updated addresses and will promptly mail the notice packets by first-class mail to the updated address.

D. Proposed Distribution of Funds

The settlement contemplates Ameriflight making payment in installments. Within 35 days after an order from the Court granting final approval of the settlement, Ameriflight will deposit \$125,000 into the Qualified Settlement Fund established by the settlement administrator. Subsequent to this initial deposit, Ameriflight will deposit a total of \$300,000 into the Qualified Settlement Fund via monthly installments. Ameriflight will make a total of twelve (12) monthly deposits into the Qualified Settlement Fund of \$25,000 each, with the first monthly payment due 30 days after the initial deposit.

Payments to opt-in plaintiffs and unlawful penalty class members, representing full reimbursement of post-employment training repayments, will issue within 30 days after the settlement effective date. Payment will be made based on preference indicated during the notice process (check, Venmo, PayPal, Zelle). If no preference is indicated, or if adequate information is not provided to implement that preference, payment will be made by check, which will expire within 120 days of issuance.

Within 120 days after the settlement effective date (after Ameriflight makes the third monthly installment payment of \$25,000), the payment will issue to the opt-in plaintiffs, representing compensation to them for their free-and-clear minimum wage liquidated damages.

Within 150 days after the settlement effective date (after Ameriflight makes the fourth monthly installment payment of \$25,000) the payment will issue to the settlement administrator for the Court-approved amount of settlement administration costs.

Within 180 days after the settlement effective date (after Ameriflight makes the fifth monthly installment payment of \$25,000), payment representing reimbursement of litigation costs will issue, in the amount approved by the Court.

Within 360 days after the settlement effective date (after Ameriflight has completed all monthly installment payments), payment representing attorneys' fees will issue in the amount approved by the Court.

If any settlement checks are returned as undeliverable, the settlement administrator will promptly attempt to locate the person (including using the Social Security Number of that individual and any other identifying information and/or by contacting the person via email or telephone). Upon request, the settlement administrator will promptly reissue checks that were mailed but not cashed during the 90-day time period to deposit/cash checks from the settlement. Any settlement check that remains undeliverable or is not cashed after all checks have expired shall be cancelled and voided, and remaining monies (after any applicable cancellation or void fees) shall be distributed on a *cy pres* basis to NYU Wagner Labor Initiative without further order of the Court.

E. Release of Claims

The settlement agreement calls for a narrowly-defined release of claims, with the sole exception of the named plaintiff, who will sign a general release of claims in exchange for receiving the service award. The 19 opt-in plaintiffs will release Ameriflight "of and from all known and unknown claims for an unlawful kickback and/or failure to pay wages free and clear under the Fair Labor Standards Act, and any other claims that were asserted or that could have been asserted under state or federal wage and hour laws based on the facts alleged in the operative complaint." The 40 unlawful penalty class members will release Ameriflight "of and

from the unenforceable penalty claim that was asserted or could have been asserted based on the facts alleged in the operative complaint.”

III. LEGAL STANDARD

A. FLSA

“When parties request judicial review and approval of a settlement agreement in the dismissal of the underlying FLSA action, the court must be satisfied that the settlement is a ‘fair and reasonable resolution of a bona fide dispute over FLSA provisions.’” *Garcia v. Overnight Cleanse, LLC*, No. 3:18-CV-3386-S-BH, 2021 WL 842128, at *3 (N.D. Tex. Mar. 5, 2021), quoting *Alaniz v. Maxum Petroleum Operating Co., Inc.*, No. SA-15-CV-00373-XR, 2016 WL 6462206, at *1 (W.D. Tex. Oct. 31, 2016), citing *Lynn's Food Stores, Inc. v. U.S. By & Through U.S. Dep’t of Lab., Emp. Standards Admin., Wage & Hour Div.*, 679 F.2d 1350, 1355 (11th Cir. 1982).

The court’s review is “focuse[d] on ensuring that an employer does not take advantage of its employees in settling their claim for wages.” *Jones v. JGC Dallas LLC*, No. 3:11-CV-2743-O, 2014 WL 7332551, at *2 (N.D. Tex. Nov. 12, 2014), *report and recommendation adopted in part*, No. 3:11-CV-2743-O, 2014 WL 7336889 (N.D. Tex. Dec. 24, 2014), quoting *Sims v. Hous. Auth. City of El Paso*, EP–10–CV–109–PRM, 2012 WL 10862119, at *2 (W.D. Tex. Feb. 29, 2012). “In essence, the [c]ourt must ensure that the parties are not, via settlement of the plaintiffs’ claims, negotiating around the clear [Fair Labor Standards Act] requirements of compensation for all hours worked, minimum wages, maximum hours, and overtime.” *Plunkett v. FirstKey Homes LLC*, No. 3:23-CV-2684-L-BN, 2024 WL 5315330, at *2 (N.D. Tex. Nov. 21, 2024), *report and recommendation adopted sub nom. Plunkett v. First Key Homes LLC*, No. 3:23-CV-2684-L-BN, 2024 WL 5075065 (N.D. Tex. Dec. 11, 2024), quoting *Lee v. Metrocare Servs.*, No. 3:13-CV-2349-O, 2015 WL 13729679, at *5 (N.D. Tex. July 1, 2015).

Because members of an FLSA collective have affirmatively consented to join the lawsuit, the focus is not on due process concerns, as it is in the Rule 23 context. *Id.*

B. Rule 23

The Federal Rules of Civil Procedure require that the settlement of a class action that binds absent class members be subject to approval by the court. *See* Fed. R. Civ. P. 23(e). “Approval of a class action settlement entails a three-step process.” *In re Elec. Data Sys. Corp. “ERISA” Litig.*, No. 6:03-CV-126, 2005 WL 1875545, at *3 (E.D. Tex. June 30, 2005). First, the court makes a preliminary fairness assessment. *Id.* Second, the court reviews and approves the proposed plan for notice. *Id.* Third, the court must hold a hearing and, only after the hearing, find that the settlement is “fair, reasonable, and adequate.” *Id.*; Fed. R. Civ. P. 23(e).

In making this final fairness determination, the court will ultimately consider whether: (A) the class was adequately represented; (B) “the proposal was negotiated at arm’s length”; (C) “the relief provided for the class is adequate”; and (D) “the proposal treats class members equitably relative to each other.” *Id.* The adequacy of the relief must “tak[e] into account”: (1) “the costs, risks, and delay of trial and appeal”; (2) the “effectiveness” of the proposed distribution of relief to the class; (3) “the terms of any proposed award of attorney’s fees, including timing of payment”; and (4) disclosure of the existence of any related agreements. *Id.*

At the preliminary approval stage, “the standards are not as stringent as those applied to a motion for final approval.” *In re Pool Prods. Distribution Mkt. Antitrust Litig.*, 310 F.R.D. 300, 314 (E.D. La. 2015). “If the proposed settlement discloses no reason to doubt its fairness, has no obvious deficiencies, does not improperly grant preferential treatment to class representatives or segments of the class, does not grant excessive compensation to attorneys, and appears to fall within the range of possible approval, the court should grant preliminary approval.” *Id.* at 314-15; *see also* *McNamara v. Bre-X Mins. Ltd.*, 214 F.R.D. 424, 430 (E.D. Tex. 2002).

IV. ARGUMENT

A. The proposed settlement is a fair and reasonable resolution of a bona fide dispute over the FLSA's provisions.

There can be no question that the FLSA claims at issue in this litigation are subject to a bona fide dispute. As this Court recognized in its memorandum and order denying Ameriflight's motion to dismiss, Plaintiff's FLSA kickback claim turns on whether Ameriflight's training program "was primarily for Ameriflight's benefit to comply with Part 1[3]5 and that Fredericks could not take a training certification with her to a new job." ECF No. 91 at 11. Plaintiff's position in this litigation has always been that the training was primarily for Ameriflight's benefit, and, as this Court recognized in its conditional certification decision, "the repayment program thus amounts to a kickback," which "brought the final week of pay below minimum wage." ECF No. 109 at 14. Ameriflight has consistently taken the opposite position: that the training was primarily for the pilots' benefit. The evidence concerning this dispute was developed during discovery, and both parties were prepared to litigate the primary benefit issue at summary judgment and at trial.

With respect to Plaintiff's free-and-clear minimum wage claim, this Court rejected Plaintiff's theory that pilots who worked the full term of their repayment agreements were similarly situated to those who left and became subject to Ameriflight's attempts to enforce the repayment obligation. This demonstrates a genuine dispute over the interpretation and application of 29 C.F.R. § 531.35. (Moreover, if Ameriflight were to file a decertification motion, there would be a very real risk that the collective could be decertified, further demonstrating the disputed nature of the FLSA claims.)

The fairness and the reasonableness of the settlement agreement, in light of this bona fide dispute, is best demonstrated by the fact that the 11 opt-in plaintiffs who made post-employment

payments to Ameriflight will receive the full amount of those payments. These amounts range from \$1,350 to \$25,000. In addition, all 19 opt-in plaintiffs will receive a settlement payment representing their *pro rata* share of the liquidated damages that Plaintiff would have sought for them under the free-and-clear minimum wage theory, calculated by taking opt-in plaintiffs' total regular hours times \$7.25 (the federal minimum wage). These payments to opt-in plaintiffs range from \$1,150 for an opt-in who worked 496 regular hours to \$9,958 for an opt-in who worked 4,295 hours. This resolution recognizes that, even if Plaintiff had succeeded on her free-and-clear theory, advanced on behalf of the collective, Ameriflight may have been able to obtain a "credit" for its actual wage payments, which would have cut in half the double damages Plaintiff would have been awarded. *Cf. Biggs v. Wilson*, 1 F.3d 1537, 1544 (9th Cir. 1993) (late payment of wages triggers liquidated damages provision of FLSA); *Atl. Co. v. Broughton*, 146 F.2d 480, 482 (5th Cir. 1944) (same).²

Moreover, by distributing a portion of the damages to the opt-in plaintiffs based on their total regular hours (times the minimum wage), Plaintiff recognizes that those who worked for Ameriflight for longer periods of time while receiving wages that were not "paid finally and unconditionally," 29 C.F.R. § 531.35, were subject to greater harm under this theory, because they were restricted in their ability to freely use their wages for a longer period of time. In a sense, this manner of distributing damages recognizes the opportunity costs to the opt-in plaintiffs for working under contract, since those who left Ameriflight after working for shorter

² "[I]f an employer on any regular payment date fails to pay the full amount of the minimum wages and overtime compensation due an employee, there immediately arises an obligation upon the employer to pay the employee the difference between the wages paid and the wages due, plus an equal additional amount as liquidated damages; and the payment thereafter of the balance due as wages, even though made prior to suit, does not release the accrued liability for liquidated damages. Such damages are not inflicted as a penalty, but are allowed as compensation for detention of a workman's pay." *Atl. Co.* 146 F.2d at 482.

periods of time were free to find work that did not impose conditions on their receipt of the federally-mandated minimum wage.

This bifurcated manner of distributing damages to the opt-in plaintiffs is a fair and reasonable approach to compensating the opt-in plaintiffs for FLSA damages under both legal theories asserted in the case, for which Plaintiff seeks approval in the attached proposed preliminary approval order.

B. As to the Rule 23 class, the proposed notice process is reasonable and complies with due process.

The proposed notice process, which mirrors that previously approved by the Court after certifying the FLSA collective and the Rule 23 class, *see* ECF No. 119, satisfies Rule 23(e)'s requirement that the Court "direct notice in a reasonable manner to all class members who would be bound by the proposal."

The proposed notices (one to Rule 23-only class members and one to those who are also opt-in plaintiffs) provide accurate information about the absent class member's settlement share, other relief afforded by the settlement agreement, the release of claims, and the opportunity to object to the settlement. The notice has been intentionally designed to be accessible to non-lawyers, using a template developed by the Impact Fund's Notice Project. More information is available at <https://noticeproject.org>.

A settlement website will be available to all class members, which will contain all relevant information about the agreement, including the total amount of the settlement, the attorneys' fees sought, and the service award requested.

Rule 23(e)(4) further provides the Court with discretion to determine whether "a new opportunity to request exclusion" must be provided to "individual class members who had an earlier opportunity to request exclusion but did not do so." Here, the notice proposed by Plaintiff

does not provide a new opportunity to request exclusion. The parties' rationale for not providing this new opportunity is as follows: (1) the previous notice process, which did provide for exclusion, was robust and took place only one year ago; (2) the release of claims that will bind class members is narrowly-tailored to the unlawful penalty claim brought in this lawsuit; (3) absent class members' claims have not been "compromised," since Plaintiff achieved the best-case scenario for the class; (4) of the Rule 23 class members who made post-employment repayments to Ameriflight, only one is not also an opt-in plaintiff, which means that the remaining 33 class members are more similar to a Rule 23(b)(2) class, for whom there need be no opportunity for exclusion; and (5) by keeping the notice simple, absent class members are more likely to make sense of the information provided.

C. As to the Rule 23 class, the proposed settlement is within the range of possible approval.

As this Court recognized in its class certification decision, Plaintiff's unlawful penalty claim is "essentially a claim for injunctive relief and an attorney's fee's shifting law." ECF No. 109. Plaintiff has achieved, through this settlement agreement, the full range of relief that she sought for the Rule 23 class. First, Ameriflight has agreed to return any amounts actually paid to Ameriflight, post-employment, by members of the Rule 23 class. This includes 6 opt-in plaintiffs who are also members of the Rule 23 class, and one class member who did not opt in to the FLSA collective, who will recover the \$17,500 that he paid to Ameriflight post-employment.

Second, as to all 40 members of the Rule 23 class, Ameriflight has agreed to declare the training repayment agreements null and void, and to forego seeking collections on any amounts owed under these agreements. This represents a best-case scenario for Plaintiff as to the unlawful penalty claim. The total value to the class, excluding the amounts being repaid, is \$710,188,

which Plaintiff calculated by summing each class member's balance owed at termination, minus any payments made post-employment.

In light of this best-case scenario outcome, as to a claim that Plaintiff was not certain to prevail upon at trial, there are no "obvious deficiencies." *In re Pool Prods. Distribution Mkt. Antitrust Litig.*, 310 F.R.D. at 314. Any concerns that the Court might have about preferential treatment for the named plaintiff or an excessive attorneys' fee award are moot. There are no "side agreements" that must be reported to the Court. There is no evidence of collusion; indeed, the final settlement terms were vigorously contested, not just at the mediation, but in the finalizing of the settlement, as evidenced by the length of time that it took the parties to execute a final settlement agreement.

D. The proposed service award is fair and reasonable.

Plaintiff seeks a modest service award for the named plaintiff, Kathleen Fredericks, in the amount of \$10,000. This amount represents compensation for (1) her reputational risk in bringing a high-profile lawsuit in the aviation industry, given her chosen profession as a pilot; (2) her initiative in seeking out attorneys to challenge what she perceived to be an unfair, anti-competitive, and coercive practice; and (3) her significant dedication of time to the case.

Service awards, which are often referred to as incentive payments, recognize the risk taken by named plaintiffs in putting their name on a public lawsuit. "Plaintiffs in class and collective actions play a crucial role in bringing justice to those who would otherwise be hidden from judicial scrutiny"; service awards recognize and compensate plaintiffs for playing this role. *Furman v. At Home Stores LLC*, No. 1:16-CV-08190, 2017 WL 1730995, at *2 (N.D. Ill. May 1, 2017). Service awards serve a particularly important role in employment class actions, "because the plaintiffs assume the risk that future employers may look unfavorably upon them if they file suit against former employers." *Id.*

Fredericks was willing to put her name on this lawsuit, despite the substantial risk to her reputation, because she recognized that if she did not act, it would be unlikely that anyone else would. As she testified at her deposition, “the entire industry is built upon pilots clamoring over each other, particularly at these lower levels, you know, what I’ll call it entry-level airlines. So it’s not uncommon to say, ‘Well, I don’t really think this is fair, but I have to keep scrambling. I have to stay on the hamster wheel and keep running.’” Fredericks Dep. 39:3-10.

In addition to the risk she incurred, Fredericks devoted substantial time and attention to this case, to ensure that it would have the maximal benefit to other pilots at Ameriflight and in the industry more generally. In addition to seeking out attorneys to represent her, providing them with documents and connecting them with witnesses, she responded to written discovery, sat for an in-person deposition, and participated actively in an all-day mediation to resolve the case. Both the deposition and the mediation required her to take time away from home and work to travel to Dallas. Lastly, to raise awareness about the issues in the lawsuit, Fredericks spoke to reporters, and allowed herself to be photographed for pieces that appeared in multiple outlets, including the Huffington Post.

Plaintiff recognizes that the requested service award is approximately 2.5% of the common fund, which is greater than the 1% figure referenced by the Northern District of Texas in recent FLSA settlement approval decisions. *See, e.g., Herbert v. LTC Delivery LLC*, No. 3:19-CV-01856-X, 2022 WL 1608639, at *3 (N.D. Tex. May 20, 2022); *Lee*, 2015 WL 13729679, at *1. This 1% benchmark has never been adopted by the Fifth Circuit, however, and it serves as a benchmark, not a hard and fast requirement for approval.

Although Plaintiff acknowledges that “the size of the common fund is a reflection of the degree to which the class has benefitted from the service of the representatives,” *Lee*, 2015 WL

13729679, at *8, that is not the only measure of class benefit. Here, the FLSA opt-ins and Rule 23 class members will all recover the full amount that Ameriflight recovered from them through post-employment collections, and will no longer be subject to future collections actions, returning them to the *status quo ante*. These non-monetary benefits have a value of \$852,128 (including the FLSA opt-ins who are not Rule 23 class members), a significant amount, which should be considered in the context of evaluating “the degree to which the class benefitted from [Fredericks’] actions.” *Id.* at *4, quoting *In re Heartland Payment Sys.*, 851 F. Supp. 2d 1040, 1089 (S.D. Tex. 2012).

Moreover, because this is a hybrid FLSA / Rule 23 action, the unlawful penalty class members will have an opportunity to object to the service award. The Court will be able to consider any objections at the time it holds the final fairness hearing.

E. The requested attorneys’ fees and costs award is fair and reasonable, and supported by applicable precedent.

The settlement agreement calls for attorneys’ fees in the amount of \$170,000, and costs in an amount not to exceed \$45,000. Although Plaintiff intends to submit a more detailed fee petition two weeks before the end of the objection period, so the Court can make a final determination about the fairness and reasonableness of this request in light of the factors laid out in *Johnson v. Ga. Highway Exp., Inc.*, 488 F.2d 714, 718 (5th Cir. 1974), Plaintiff is able to represent to the Court now that Plaintiff’s attorneys’ lodestar fees exceed \$170,000, and that the amount of costs requested will be the amount actually incurred. In other words, this request is far from a windfall for Plaintiff’s attorneys. Plaintiff can also represent to the Court that this case was taken on a contingency fee basis, meaning that Plaintiff’s attorneys invested significant time and resources into this case despite the risk of no recovery.

The amount of fees requested represents 40% of the common fund. This is well within the range that has been approved by federal courts in common fund cases resulting in a substantial recovery for the collective/class. *See, e.g., Plunkett v. FirstKey Homes LLC*, No. 3:23-CV-2684-L-BN, 2024 WL 5315330, at *10 (N.D. Tex. Nov. 21, 2024) (awarding 40% of common fund to attorneys in FLSA case), *report and recommendation adopted sub nom. Plunkett v. First Key Homes LLC*, No. 3:23-CV-2684-L-BN, 2024 WL 5075065 (N.D. Tex. Dec. 11, 2024); *Vassallo v. Goodman Networks, Inc.*, No. 15CV97-LG-CMC, 2016 WL 6037847, at *4 (E.D. Tex. Oct. 14, 2016) (awarding fees representing 39.78 percent of the common fund in FLSA case); *Lackey v. SDT Waste & Debris Servs., LLC*, No. CIV.A. 11-1087, 2014 WL 4809535, at *3 (E.D. La. Sept. 26, 2014) (awarding fees representing 40 percent of the common fund in FLSA case).

As with service awards, there is also precedent for taking into account the value of “debt forgiveness” when determining the common fund percentage. *See, e.g., Melby v. Am.’s MHT, Inc.*, No. 3:17-CV-155-M, 2018 WL 10399003, at *4 (N.D. Tex. July 5, 2018); *Cosgrove v. Citizens Auto. Fin., Inc.*, No. CIV.A. 09-1095, 2011 WL 3740809, at *8 (E.D. Pa. Aug. 25, 2011) (approving attorney’s fee award of \$1.25 million where defendant paid \$2.9 million into settlement fund and debt relief was valued at \$7.75 million, resulting in an award of “approximately 11.7% of the settlement fund, including debt relief”).

Taking into account Ameriflight’s agreement to forego collections on any balances owed by the collective/class, the total value of the settlement is approximately \$1.28 million. The fees requested represent only 13.3 % of that value.

When the Court holds the final fairness hearing in this matter, after the objection period closes and Plaintiff has filed her petition for attorneys’ fees and costs, it will have all of the

information necessary to evaluate the *Johnson* factors, to the extent that they are applicable.

Plunkett, 2024 WL 5315330, at *8. Those factors are: “(1) the time and labor required; (2) the novelty and difficulty of the questions; (3) the skill requisite to perform the legal services properly; (4) the preclusion of other employment by the claimant's attorney due to acceptance of the case; (5) the customary fee; (6) whether the fee is fixed or contingent; (7) time limitations imposed by the claimant or the circumstances; (8) the amount of recovery involved and the results obtained; (9) counsel’s experience, reputation, and ability; (10) the “undesirability” of the case; (11) the nature and length of the professional relationship with the claimant; and (12) awards in similar cases.” Plaintiff is confident that these factors will support the requested fee amount.

V. CONCLUSION

For all of these reasons, Plaintiff respectfully requests that this Court grant preliminary approval of the settlement, approve the distribution formula, and authorize Plaintiff to send the proposed notice of settlement to the settlement class. Specifically, Plaintiff requests that the Court issue a preliminary approval order in the form attached to this motion as Exhibit 2.

Date: January 30, 2026

Respectfully submitted,
/s/ Rachel Smit

Rachel Smit*
rachel@fairworklaw.com
FAIR WORK, P.C.
192 South St. Suite 450
Boston, MA 02111, USA
Tel: (617) 841-8188

Ashley Tremain (State Bar No. 24066209)
ashley@tremainartaza.com
TREMAIN ARTAZA PLLC
4925 Greenville Ave Ste. 200
Dallas, TX 75206
Tel: (469) 573-0229

Rachel Williams Dempsey*
rachel@towardsjustice.org
David Seligman*
david@towardsjustice.org
TOWARDS JUSTICE
PO Box 371680, PMB 44465
Denver, CO 80237-5680
Tel: (720) 441-2236

Persis Yu*
persis@protectborrowers.org
STUDENT BORROWER PROTECTION
CENTER (a fiscally sponsored project of
Shared Ascent Fund)
1025 Connecticut Ave NW, #717
Washington, DC 20036
Tel: (202) 670-3871

*Attorneys for Plaintiff and the Putative Class
and Collective*

*Admitted *pro hac vice*

CERTIFICATE OF CONFERENCE

I hereby certify that Plaintiff conferred with Defendant about the relief requested herein, and Defendant indicated that it would not oppose the request.

Date: January 30, 2026

/s/ Rachel Smit

Rachel Smit

CERTIFICATE OF SERVICE

I hereby certify that I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to counsel(s) of record.

Date: January 30, 2026

/s/ Rachel Smit

Rachel Smit

EXHIBIT 1

SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS

Kathleen Fredericks, et al. v. Ameriflight, LLC
N.D. Tex. Civil Action No. 3:23-cv-01757-X

The Parties to this Settlement Agreement and Release of Claims (“Agreement”) are Defendant Ameriflight, LLC (“Defendant”) and Named Plaintiff Kathleen Fredericks (“Named Plaintiff,” “Class Representative,” and/or “Plaintiff”), for herself and on behalf of other similarly situated class members in *Fredericks v. Ameriflight*, N.D. Tex. Civil Action No. 3:23-cv-01757-X (the “Litigation.”).

I. RECITALS

WHEREAS, Named Plaintiff Kathleen Fredericks initiated the Litigation on January 30, 2023, in the District of Puerto Rico, as a Rule 23 putative class action and Fair Labor Standards Act (“FLSA”), 29 U.S.C. § 216(b) collective action, seeking recovery of wages and other relief against Defendant, on behalf of herself and similarly situated individuals, and further asserted claims that are set forth in the operative complaint (D.P.R. Civil Action No. 3:23-cv-01042-PAD, ECF No. 1);

WHEREAS, Defendant sought and was granted a transfer in venue to the Northern District of Texas on August 3, 2023 (D.P.R. Civil Action No. 3:23-cv-01042-PAD, ECF No. 52);

WHEREAS, the Northern District of Texas denied Defendant’s motion to dismiss all claims asserted in the Litigation on March 19, 2024 (ECF No. 91);

WHEREAS, on November 25, 2024, the Court granted, in part, Plaintiff’s motion to certify a class and collective (ECF No. 109);

WHEREAS, notice was issued to the class and collective on January 10, 2025, resulting in a total of 23 individuals who had consented to join the FLSA claims in the Litigation, including Named Plaintiff Kathleen Fredericks and an early Opt-In Plaintiff, David Parks;

WHEREAS, the Court subsequently dismissed with prejudice four individuals from the lawsuit who had consented to join the FLSA claims in the Litigation;

WHEREAS, the Parties have engaged in significant discovery and motion practice during the prosecution of the Litigation;

WHEREAS, Defendant issued written discovery requests to the Opt-In Plaintiffs, and took four Opt-In Plaintiff depositions, which informed the Parties’ assessment of the risks of continued litigation;

WHEREAS, the Parties understand that their counsel have thoroughly investigated the facts relating to the claims alleged in the Litigation, including the events and transactions underlying the Litigation, through formal and informal discovery, and have made a thorough study of the legal principles applicable to the

claims being asserted against Defendants;

WHEREAS, the Parties engaged in a full-day mediation with John B. Shipp, Esq. concerning the settlement of the claims and causes of action being asserted against Defendant in the Litigation;

WHEREAS, as a product of such negotiations, the Parties arrived at an agreement to settle the Litigation on the basis described herein (*see* ECF No. 161), subject to Court approval;

WHEREAS, Defendant denies all of the allegations in the Litigation and any and all liability and damages of any kind to anyone with respect to these alleged facts or causes of action asserted in the Litigation, but nonetheless, without admitting or conceding any liability or damages whatsoever, has agreed to settle the Litigation on the terms and conditions set forth in this Agreement to avoid the burden, expense, and uncertainty of continuing the Litigation;

WHEREAS, the Parties recognize that the outcome in the Litigation is uncertain and that achieving a final result through the litigation process would require substantial additional risk, discovery, time, and expense;

WHEREAS, the Named Plaintiff through Class Counsel has conducted an investigation and evaluation of the facts and law relating to the claims asserted in the Litigation to determine how best to serve the interests of all class and collective members, and believes, in view of the costs, risks, and delay of continued litigation balanced against the benefits of settlement, that the settlement as provided in this Agreement is in the best interests of the class and collective and that the settlement provided in this Agreement represents a fair, reasonable, and adequate resolution of the Litigation;

NOW THEREFORE, the Parties, intending to be legally bound and acknowledging the sufficiency of the consideration and undertakings set forth herein, do hereby agree as follows:

II. DEFINITIONS

1. “**Class Counsel**” or “**Plaintiff’s Counsel**” means Towards Justice, Tremain Artaza, Fair Work, and Student Borrower Protection Center, which are designated as Class Counsel for purposes of this settlement upon entry of the Order granting preliminary approval.

2. “**Defendant**” and/or “**Ameriflight**” means Ameriflight, LLC.

3. **“Defendant’s Counsel”** means Ogletree, Deakins, Nash, Smoak & Stewart, P.C.
4. **“Final Approval Order”** means one or more Orders of the Court finally approving this Agreement and the settlement pursuant to the Fair Labor Standards Act, 29 U.S.C. § 216(b) and Federal Rule of Civil Procedure 23(b)(3).
5. **“Named Plaintiff”** means Kathleen Fredericks.
6. **“Federal Wage Claims”** means claims under the federal Fair Labor Standards Act (FLSA) for unlawful kickbacks of wages and failure to pay wages free-and-clear for the time period of January 30, 2019, through and including February 28, 2025.
7. **“Unlawful Penalty Claim”** means the claim brought by Plaintiff under Texas common law, asserting that the repayment requirement was an unlawful penalty, for the time period of January 30, 2019, through and including February 28, 2025.
8. **“Unlawful Penalty Class”** means the class certified by the Court on November 25, 2024, which is defined as: “Pilots with a Beechcraft 99 repayment agreement who left employment with Ameriflight before the term of the repayment plan was complete.” The Rule 23 class only includes pilots who completed training, and were under the Beechcraft 99 training repayment agreement between January 30, 2019, and February 28, 2025. Pilots who signed repayment agreements for aircraft other than the Beechcraft 99 are not included in the class.
9. **“Opt-in Plaintiffs”** means the nineteen (19) individuals who consented to join the FLSA collective, and continue to be represented by Class Counsel, as set forth in more detail in Section IV.B, *infra*.
10. **“Settlement Effective Date”** means, for any discrete portion of this settlement, the first day after the last of the following occurrences: (i) the issuance of a Final Judgment, (ii) the date on which any objector’s time to appeal the Final Approval Order has expired with no appeal or other judicial review having been taken or sought, or (iii) if an appeal of the Final Approval Order has been timely filed, the date the Final Approval Order is finally affirmed in its entirety with no possibility of subsequent appeal or other judicial review, or the date the appeal(s) or other judicial review are finally dismissed with no possibility of subsequent appeal or other judicial review.
11. **“Settlement Fund”** means the common settlement fund described in Section IV.A, *infra*.

III. EXHIBITS

The following exhibits are attached to this Agreement.

1. Exhibit A: Notice of Settlement (Opt-in Plaintiffs/Class Members)
2. Exhibit B: Notice of Settlement (Unlawful Penalty Class Members Only)
3. Exhibit C: Notice of Settlement (Opt-in Plaintiffs Only)

IV. SETTLEMENT TERMS

A. Settlement Fund.

Defendant agrees that a common settlement fund in the amount of Four-Hundred Twenty-Five Thousand Dollars and No Cents (\$425,000) will be established by the Settlement Administrator to resolve the claims of the Named Plaintiff, the Opt-in Plaintiffs, and the Unlawful Penalty Class against Defendant.

1. This Settlement Fund is inclusive of any and all alleged damages, liquidated damages, penalties, attorneys' fees, costs, expenses, including reasonable settlement administration costs, and any reasonable service award. The settlement is non-reversionary, meaning that no part of the Settlement Fund shall revert back to the Defendant. The Parties are to each pay their own fees, costs, and expenses, other than those approved by the Court to come from the Settlement Fund.

2. Plaintiff intends to seek approval of the Court to divide this Settlement Fund as follows:

- a. Attorneys' fees in an amount not to exceed \$170,000 for Class Counsel.
- b. Service award of \$10,000 for the Named Plaintiff.
- c. Reasonable litigation costs incurred by Plaintiffs' counsel, in an amount not to exceed \$45,000.
- d. Costs of settlement administration in an amount not to exceed \$10,000.
- e. The remainder of the Settlement Fund ("Net Settlement Fund"), in an amount no less than \$190,000 to be distributed to the Opt-in Plaintiffs and Unlawful Penalty Class pursuant to the allocation formulas described in Section IV.B.2, *infra*.

3. Amounts from attorneys' fees, service awards, settlement administration costs, and litigation costs that are not awarded (and/or, in the case of settlement administration costs, not spent) shall be reallocated to the Net Settlement Fund for allocation to the Opt-in Plaintiffs and Unlawful Penalty Class. The parties agree and understand that the Court has ultimate authority to accept, reject, or modify the

attorneys' fees, service awards, and award of costs, and the settlement is not contingent on the Court's approval of the amounts requested for those items.

4. Each party shall bear their own share of any payroll taxes. The Defendant will bear the employer's share of payroll taxes, which shall be paid separately and not out of the Settlement Fund. The Settlement Administrator will withhold the employees' share of any payroll taxes. Each party shall bear the liability as to their shares of any taxes owed, and the Parties shall not be responsible or liable for taxes owed by other Parties.

5. Any funds left over after the distribution of the settlement funds, i.e., amounts from uncashed checks, shall be distributed on a *cy pres* basis to the NYU Wagner Labor Initiative.

B. Settlement Classes and Settlement Formulas.

1. The settlement is on behalf of the following classes/collectives:
 - a. **Opt-in Plaintiffs:** the nineteen (19) individuals who consented to join the FLSA collective during the opt-in period (excluding the four individuals who are no longer represented by Plaintiff's counsel). It does not include individuals who received an opportunity to opt in to the FLSA claims but did not do so.
 - b. **Unlawful Penalty Class:** the class certified by the Court on November 25, 2024, which is defined as: "Pilots with a Beechcraft 99 repayment agreement who left employment with Ameriflight before the term of the repayment plan was complete." The Rule 23 class only includes pilots who completed training, and were under the Beechcraft 99 training repayment agreement between January 30, 2019, and February 28, 2025. Pilots who signed repayment agreements for aircraft other than the Beechcraft 99 are not included in the class.
2. The amounts from the Net Settlement Fund to be distributed to the Opt-in Plaintiffs and Unlawful Penalty Class shall be distributed as follows:
 - a. **Post-Employment Training Payments (Opt-in Plaintiffs and Unlawful Penalty Class):** To the extent that any Opt-in Plaintiff or Unlawful Penalty Class Member made post-employment payments to Defendant pursuant to a training repayment agreement, they will receive an amount equal to the total amount that they paid to Ameriflight and/or any third-party debt collection company, including interest and collection costs. These amounts shall be paid as non-taxable reimbursements, subject to consultation with tax advisors.

- b. **Minimum Wage Claims (Opt-in Plaintiffs):** The amount that remains in the Net Settlement Fund after all Post-Employment Training Payments are reimbursed pursuant to IV.B.2.a. will be distributed among the Opt-in Plaintiffs to resolve their free-and-clear minimum wage claims. This amount will be allocated to Opt-in Plaintiffs proportional to their total regular earnings while employed by Defendant (regular hours x wage rate). These amounts shall be paid 1/2 as W-2 wages and 1/2 as liquidated damages/1099 other income (reported in Box 3).

3. **Calculations and Data:** Class Counsel shall be responsible for performing the calculations of Opt-in Plaintiffs' and Unlawful Penalty Class Members' settlement shares. Defendant shall be responsible for providing requested data, if any, that is reasonably necessary for the approval, fair allocation, or distribution of the Net Settlement Fund (to the extent not already provided), specifically payroll journals and debt collection records.

C. Notice Process.

Notice and an opportunity to object to the settlement shall be afforded to all members of the Unlawful Penalty Class. To the extent that members of the Unlawful Penalty Class are also Opt-in Plaintiffs, they will be issued the notice attached as Exhibit A. Otherwise, members of the Unlawful Penalty Class will be issued the notice attached as Exhibit B. Opt-in Plaintiffs who are not also members of the Unlawful Penalty Class will be issued the notice attached as Exhibit C, and will not be provided an opportunity to object to the settlement.

To the extent not already provided, Defendant shall provide to the Plaintiff's counsel and the Settlement Administrator the last known home address, email address, and phone number of the Unlawful Penalty Class members.

A settlement website shall be created using the URL <https://www.traplawsuit.com>, or something similar, which will provide access to each version of the settlement notice, important Court documents, contact information for the settlement administrator and Class Counsel, a form to provide updated contact information, and a form to indicate preference for payment method (check, Venmo, PayPal, Zelle) and other information deemed necessary. The electronic notice packet shall include links to the website.

The Settlement Administrator shall send the notices by first-class mail to the last known address of all Opt-in Plaintiffs and members of the Unlawful Penalty Class. The Settlement Administrator shall also issue a brief notice by text and email (to the extent that telephone numbers and email addresses are available) containing a link to the settlement website. For individuals for whom the mailed notice is undeliverable, the

settlement administrator shall use all reasonable efforts to locate updated addresses and shall promptly mail the notice packets by first-class mail to the updated address.

Objection process: Any member of the Unlawful Penalty Class who intends to object to the fairness of the settlement must, no later than 45 days after the notice is sent, serve any such objection on the settlement administrator, who shall promptly forward the object to Class Counsel and Defendant's Counsel. Any objection to the settlement must include: (i) the objector's full name, address, email address, and telephone number; (ii) a written statement of all grounds for the objection; (iii) a statement whether the objector intends to appear at the Final Approval Hearing; and (iv) the objector's signature. If the objector intends to appear at the Final Approval Hearing through counsel, the objection must also state the identity of any attorneys representing the objector who will appear at the Final Approval Hearing.

D. Plaintiffs Releases.

1. **Named Plaintiff's General Release:** Kathleen Fredericks hereby releases Defendant of and from all known and unknown claims.

2. **Opt-in Plaintiffs' Release:** All Opt-in Plaintiffs hereby release Defendant of and from all known and unknown claims for an unlawful kickback and/or failure to pay wages free and clear under the Fair Labor Standards Act, and any other claims that were asserted or that could have been asserted under state or federal wage and hour laws based on the facts alleged in the operative complaint.

3. **Unlawful Penalty Class Release:** All members of the Unlawful Penalty Class hereby release Defendant of and from the unenforceable penalty claim that was asserted or could have been asserted based on the facts alleged in the operative complaint.

E. Non-monetary Terms and Defendant Releases.

In addition to monetary relief, the parties agree to the following non-monetary terms as part of the settlement:

1. **Training Repayment Agreements Declared Null and Void.**

- a. The parties hereby agree that the training repayment agreements entered into with Defendant by the Opt-in Plaintiffs and members of the Unlawful Penalty Class are null and void, and that the parties to those agreements have no further obligations to each other, to the extent that those obligations may have been created by the agreements.

- b. Defendant hereby releases entitlement to and shall not pursue (and/or shall discontinue) any collection efforts under the training repayment agreements against the Opt-in Plaintiffs and Unlawful Penalty Class Members for any amount, and shall instruct third-party collection agencies and any other entities that may have involvement in collection efforts for Defendant to do the same.
- c. The parties agree that Defendant's release of claims against the Opt-in Plaintiffs and members of the Unlawful Penalty Class, described in this section, is not a discharge of debt but instead is an agreement not to enforce certain contractual provisions. Moreover, Plaintiff takes the position that the monies being released are not valid debts and that efforts to collect the debts are unlawful.
- d. After final approval of the settlement, Defendant will use its best efforts to ensure that notice is provided to the national credit reporting agencies (Experian, Equifax and TransUnion) of the current status of any accounts of the Opt-in Plaintiffs or Unlawful Penalty Class members that may have been reported to said agency.

2. Non-competition Provision is Declared Null and Void.

To the extent that any Opt-in Plaintiff or member of the Unlawful Penalty Class signed a version of a training repayment agreement containing an "Agreement of Non-Compete," Defendant agrees not to seek to enforce the non-competition provision, or to represent to entities that a pilot is still under contract with or still employed by Ameriflight or to decline to provide employment and training history upon request (or otherwise refuse to verify employment).

F. Settlement Approval Process.

The Parties agree to seek approval of the settlement with the Court in this Matter as follows:

1. **Preliminary Approval:** Class Counsel will file a Motion for Preliminary Approval of Settlement. Class Counsel will simultaneously submit a Proposed Order Preliminarily Approving Settlement, subject to approval by Defendant.

2. **Preliminary Petition for Attorneys' Fees and Costs:** Fourteen days before the objection deadline, Class Counsel shall file a preliminary petition for attorneys' fees and costs, which shall be made available on the settlement website.

3. **Final Approval.** Class Counsel will file a Motion for Final Approval of Settlement. Class Counsel will simultaneously submit a Proposed Final Approval

Order, subject to approval by Defendant. On the date set forth in the Preliminary Approval Order, the Court will hold a final Fairness Hearing, at which time the Court will decide (either at the hearing or by subsequent order) (1) whether to finally approve the Settlement as fair, reasonable, and adequate, and (2) any petitions for attorneys' fees, costs, or service awards.

4. **Effect of No Approval:**

- a. If the Court does not preliminarily approve the settlement, including the settlement approval process, the Parties agree to confer and work cooperatively to take all reasonable steps to obtain preliminary and final settlement approval.
- b. If the settlement does not receive final approval from the Court, this Agreement is null and void. Nonetheless, the Parties agree to confer and to work cooperatively to take all reasonable steps to determine the best path to final approval of the settlement and attempt to address any concerns that the Court may have with the proposed settlement. However, if the settlement still is not approved, this Agreement will be null and void. Neither party shall be prejudiced by the delay caused by the settlement approval process, and neither party shall use the settlement approval process or any aspects of the parties' agreement as an admission in any proceeding.

G. **Settlement Administration.**

If the Court grants preliminary approval of this Agreement, the settlement will be administered by Atticus Administration, LLC, a third-party administrator ("Settlement Administrator"). The Settlement Administrator shall have the following duties: (1) establishment and administration of the settlement websites and issuance of notices (with follow-up as necessary); (2) responding to class members' inquiries; (3) collection of updated contact information and objections; (4) providing updates to counsel on the results of the notice process on an at least biweekly basis; (5) issuing settlement payments; and (6) calculating taxes owed by Defendant for payments issued and separately billing Defendant for those tax payments; (7) issuing tax forms to class members; and (8) any other responsibilities reasonably necessary to facilitate the settlement approval and payment process. The Settlement Administrator shall also be responsible for establishing the Qualified Settlement Fund, as set forth in more detail in Section IV.H, *infra*.

H. Qualified Settlement Fund.

The Settlement Administrator shall be responsible for establishing a Qualified Settlement Fund. Defendant shall deposit \$125,000 into the Qualified Settlement Fund established by the Settlement Administrator by January 19, 2026, or 35 days after an order from the Court granting final approval of the settlement, whichever is later. Class Counsel or the Settlement Administrator shall provide banking instructions to Defendant's counsel.

Subsequent to the initial deposit, Defendant shall deposit a total of \$300,000 into the Qualified Settlement Fund in monthly installments. Defendant shall make twelve (12) monthly deposits into the Qualified Settlement Fund of \$25,000 each, with the first monthly payment due 30 days after the initial deposit.

I. Timeline for Notice.

The parties agree to the following timeline for data production and the notice process:

1. No later than January 22, 2026, Defendant shall provide to Class Counsel an accounting of all training repayments made, post-employment, to Defendant, or any third-party debt collector retained by Defendant, by the Opt-in Plaintiffs and members of the Unlawful Penalty Class. The Parties agree that Defendant will exercise due diligence and its best efforts to provide such accounting and will confer with Class Counsel regarding any identified accounting discrepancies.

2. The Settlement Administrator shall create the settlement websites and prepare the notice packets for review by counsel no later than two weeks after the Court grants preliminary approval, and counsel for both parties shall have one week to review the websites and notice packets (until no later than three weeks after the Court grants preliminary approval).

3. The notices shall be disseminated and the website shall go live no later than one week after the deadline for counsel to review the website and notice packets (no later than four weeks after the Court grants preliminary approval).

4. The Parties agree that if issues arise with respect to the deadlines to produce data or other information in Section I of this Agreement, they will work cooperatively to remedy any issues so that the entire Agreement remains in force and without prejudice to the Parties' rights under the Agreement.

J. Issuance of payments.

The Settlement Administrator shall issue payments to Opt-in Plaintiffs and Unlawful Penalty Class Members, representing full reimbursement of post-employment

training repayments, from the Qualified Settlement Fund within 30 days after the Settlement Effective Date. Payment shall be made based on preference (check, Venmo, PayPal, Zelle). If no preference is indicated, or if adequate information is not provided to implement that preference, payment shall be made by check, which shall expire within 120 days of issuance.

Within 120 days after the Settlement Effective Date (after Defendant makes the third monthly installment payment of \$25,000), the Settlement Administrator shall issue payment to the Opt-in Plaintiffs, representing their Minimum Wage damages. The Settlement Administrator shall also invoice Defendant for the employer-share of payroll taxes at the time these payments are issued.

Within 150 days after the Settlement Effective Date (after Defendant makes the fourth monthly installment payment of \$25,000) the Settlement Administrator shall issue payment to itself for the Court-approved amount of settlement administration costs.

Within 180 days after the Settlement Effective Date (after Defendant makes the fifth monthly installment payment of \$25,000), the Settlement Administrator shall issue payment representing reimbursement of litigation costs to Towards Justice, Tremain Artaza, Fair Work, and Student Borrower Protection Center, in the amounts approved by the Court.

Within 360 days after Settlement Effective Date (after Defendant has completed all monthly installment payments), the Settlement Administrator shall issue payment representing attorneys' fees to Towards Justice, Tremain Artaza, Fair Work, and Student Borrower Protection Center, in the amounts approved by the Court.

If any settlement checks are returned as undeliverable, the Settlement Administrator shall promptly attempt to locate the person (including using the Social Security Number of that individual and any other identifying information and/or by contacting the person via email or telephone). Upon request, the Settlement Administrator will promptly reissue checks that were mailed but not cashed during the 90-day time period to deposit/cash checks from the settlement. Any settlement check that remains undeliverable or is not cashed after all checks have expired shall be cancelled and voided, and remaining monies (after any applicable cancellation or void fees) shall be distributed on a *cy pres* basis to NYU Wagner Labor Initiative without further order of the Court.

K. No Admission of Liability.

By entering into this Agreement, Defendant admits no liability of any kind, and Defendant expressly denies any liability or wrongdoing. Accordingly, the Parties agree that none of them has prevailed, nor shall this Agreement be construed as evidence that

any party has prevailed in this matter or that any alleged damages exist. This Agreement shall not be construed as a concession by Defendant that any of its affirmative defenses are not valid and supported by the facts; to the contrary, Defendant expressly asserts that all of its affirmative defenses are valid in law and fact, including without limitation or offset, which includes but is not limited to all damages suffered by Defendant. This Agreement shall not be admissible in any court or other proceeding except as necessary in connection with a claim of breach of this Agreement or an effort to enforce this Agreement.

L. Confidentiality.

Named Plaintiff and Class Counsel, including their respective agents, agree that the settlement negotiations, including all matters related to the mediation of this case, are to remain strictly confidential and shall not be disclosed unless required by law or judicial process, or as permitted by Paragraphs IV(C) and IV(F) herein. The confidentiality requirements in this Paragraph do not extend to the amount paid in settlement.

M. Choice of Law.

The enforcement of this Agreement shall be governed and interpreted by and under the laws of the State of Texas whether or not any party is or may hereafter be a resident of another state.

N. Extension of Time.

The Parties may agree upon a reasonable extension of time for deadlines and dates reflected in this Agreement, without further notice to the Court, subject to Court approval as to Court dates.

O. No Waivers, Modifications, Amendments.

This Agreement constitutes the entire agreement of the Parties concerning the subjects contained herein, and all prior and contemporaneous negotiations and understandings between the Parties shall be deemed merged into this Agreement. No waiver, modification, or amendment of the terms of this Agreement, whether purportedly made before or after the Court's approval of this Agreement, shall be valid or binding unless in writing, signed by or on behalf of all Parties and then only to the extent set forth in such written waiver, modification or amendment, subject to any required Court approval. Any failure by any party to insist upon the strict performance by the other party of any of the provisions of this Agreement shall not be deemed a waiver of any of the other provisions of this Agreement, and such party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.

P. Court Retains Jurisdiction To Enforce Agreement.

The United States District Court for the Northern District of Texas shall retain jurisdiction with respect to the implementation and enforcement of the terms of the Agreement, to the extent permitted by law, and all Parties hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the settlement embodied in the Agreement. Any questions regarding the scope of the release of the Settlement Agreement as it applies to any other litigation in any state or federal court in the United States shall be determined by the state or federal court where such other litigation is taking place.

Q. Agreement to Cooperate.

The Parties acknowledge that it is their intent to consummate this settlement, and they agree to cooperate to the extent necessary to effectuate and implement all terms and conditions of this Agreement and to exercise their best efforts to accomplish the foregoing terms and conditions of this Agreement.

R. Notice.

Whenever, under the terms of this Agreement, a person is required to provide service or written notice to Defendants, Defendants' Counsel, or Plaintiffs, or Class Counsel, such service or notice shall be directed to the individuals and addresses specified below:

As to Class Counsel or Plaintiffs:

Rachel Dempsey
TOWARDS JUSTICE
PO Box 371680, PMB 44465
Denver, CO 80237-5680
rachel@towardsjustice.org

Rachel Smit
FAIR WORK, P.C.
192 South Street, Suite 450
Boston, MA 02111
rachel@fairworklaw.com

Ashley Tremain
TREMAIN ARTAZA PLLC
4925 Greenville Ave Ste. 200
Dallas, TX 75206
ashley@tremainartaza.com

As to Defendants' Counsel:

John M. Barcus

Shaina E. Hicks

OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.

8117 Preston Road, Suite 500

Dallas, Texas 75225

john.barcus@ogletree.com

shaina.hicks@ogletree.com

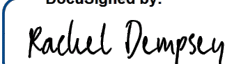
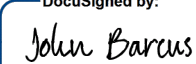
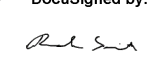
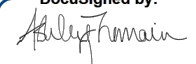
S. Counterparts.

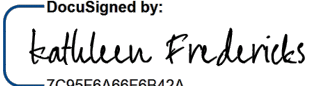
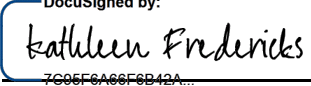
The Parties may execute this Agreement in counterparts, and execution in counterparts shall have the same force and effect as if the Class Representatives and Defendants had signed the same instrument. Any signature made electronically and/or transmitted by facsimile for the purpose of executing this Agreement shall be deemed an original signature for purposes of this Agreement and shall be binding upon the signing party.

T. Corporate Signatories.

Each party executing this Agreement or any of its exhibits on behalf of any party hereto warrants that such person has the authority to do so. Any person executing this Agreement or any such related documents on behalf of a corporate signatory hereby warrants and promises for the benefit of all Parties hereto that such person is duly authorized by such corporation to execute this Agreement or any such related documents.

APPROVED AS TO FORM:

Class Counsel DocuSigned by:  By: _____ DE1820B4E7064C9... Name: <u>Rachel Dempsey</u> Date: <u>1/14/2026</u>	Defendant's Counsel DocuSigned by:  By: _____ 7C297E1A970942A... Name: <u>John Barcus</u> Date: <u>1/14/2026</u>
Class Counsel DocuSigned by:  By: _____ 4CD9705211D2450... Name: <u>Rachel Smit</u> Date: <u>1/14/2026</u>	Class Counsel DocuSigned by:  By: _____ D2DD40A13295402... Name: <u>Ashley Tremain</u> Date: <u>1/14/2026</u>

Named Plaintiff Kathleen Fredericks, individually DocuSigned by:  7C95F6A66F6B42A... By: _____ Name: <u>Kathleen Fredericks</u> Date: <u>1/14/2026</u>	Defendant Ameriflight, LLC By: _____ Name: <u>Patrick Fluegeman</u> Title: <u>President and CEO</u> Date: _____
Named Plaintiff Kathleen Fredericks, on behalf of the Unlawful Penalty Class DocuSigned by:  7C95F6A66F6B42A... By: _____ Name: <u>Kathleen Fredericks</u> Title: <u>Class Representative</u> Date: <u>1/14/2026</u>	

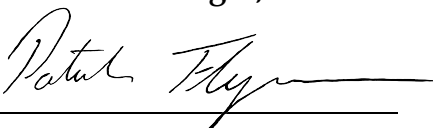
Named Plaintiff Kathleen Fredericks, individually By: _____ Name: <u>Kathleen Fredericks</u> Date: _____	Defendant Ameriflight, LLC By: <u></u> Name: <u>Patrick Fluegeman</u> Title: <u>President and CEO</u> Date: <u>January 14, 2026</u>
Named Plaintiff Kathleen Fredericks, on behalf of the Unlawful Penalty Class By: _____ Name: <u>Kathleen Fredericks</u> Title: <u>Class Representative</u> Date: _____	

EXHIBIT A



United States District Court
Fredericks v. Ameriflight, LLC
Case No. 3:23-cv-01757-X

Settlement Notice

Authorized by the U.S. District Court



Why did you get this notice?

This notice is to tell you that the lawsuit you consented to join back in January 2025, *Fredericks v. Ameriflight*, has settled. **You are entitled to money as part of the settlement.** This notice tells you how to get more information about the settlement and to ensure that you receive all payments owed to you.

How much money will I receive? The monetary part of the settlement has two parts:

Reimbursement for training payments made after you left Ameriflight	Based on Ameriflight’s records, you made a total of \$[insert] in payments to Ameriflight under the training repayment agreement. If the Court approves the settlement, you will receive this entire amount by check, unless you choose an alternative payment option (Venmo, PayPal, Zelle).
Minimum wage damages	If the Court approves the settlement, approximately [X] months after the first payment, you will receive a second payment of \$ [insert], which represents compensation for the minimum wage violations alleged in this lawsuit.

You can choose your payment option and learn more at: [\[website\]](#), or scan the QR code.

What else is included in the settlement?

As part of the settlement, Ameriflight has agreed to declare that its training repayment agreement with you is null and void. This means that you have no further obligations to Ameriflight under the agreement.

You will release Ameriflight of and from all known and unknown claims for an unlawful kickback and/or failure to pay wages free and clear under the Fair Labor Standards Act, and any other claims that were asserted or that could have been asserted under state or federal wage and hour laws based on the facts alleged in the operative complaint.

You will also release Ameriflight of and from the unenforceable penalty claim that was asserted or could have been asserted based on the facts alleged in the operative complaint.

A complete copy of the settlement agreement that you will be considered a party to is available at [\[website\]](#).

If you want to object to the settlement, you must follow the instructions included on the website at _____. You must submit your objection no later than [\[objection deadline\]](#).

Court-Approved Legal Notice



This is an important notice about a
class action lawsuit.

<<MAIL ID>>
<<NAME 1>>
<<NAME 2>>
<<ADDRESS LINE 1>>
<<ADDRESS LINE 2>>
<<ADDRESS LINE 3>>
<<ADDRESS LINE 4>>
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EXHIBIT B



United States District Court
Fredericks v. Ameriflight, LLC
Case No. 3:23-cv-01757-X

Settlement Notice

Authorized by the U.S. District Court



Why did you get this notice?

This notice is to tell you about the settlement of a class action lawsuit, *Fredericks v. Ameriflight*, brought on behalf of pilots who worked for Ameriflight under a training repayment agreement. You received this notice because **you have been identified as a member of the group of people affected**, called the “class,” and **you may be entitled to money as part of the settlement**. This notice tells you how to get more information about the settlement.

Did you fly for Ameriflight under a Beechcraft 99 training repayment agreement between January 30, 2019, and February 28, 2025? If the answer is yes, then you are class member.

Your options:	More about each option:
Do Nothing	(1) If the Court approves the settlement, you will be issued a check for \$[insert amount] to the address on this notice, unless you choose an alternative payment option (Venmo, PayPal, Zelle); (2) If the Court approves the settlement, the training repayment agreement between you and Ameriflight will be declared null and void; and (3) If the Court approves the settlement, you will give up the right to sue Ameriflight for any claims alleging the inclusion of an unlawful penalty provision in its training repayment agreement.
Object	Tell the Court why you don't like the settlement. If you want to object to the settlement, you must follow the instructions included on the website at _____. You must submit your objection no later than [objection deadline].

You can choose your payment option and learn more at: [\[website\]](#), or scan the QR code.

When will the Court make a decision about the settlement? The Fairness Hearing is scheduled for [Fairness Hearing Date].

Key things to know:

- This is an important legal document.
- If you take no action, you will still be bound by the settlement, and your rights will be affected.

- If you have questions or need assistance, please call [phone number]

**Court-Approved
Legal Notice**



This is an important notice about a
class action lawsuit.

<<MAIL ID>>
<<NAME 1>>
<<NAME 2>>
<<ADDRESS LINE 1>>
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<<CITY, STATE ZIP>>
<<COUNTRY>>

EXHIBIT C



United States District Court
Fredericks v. Ameriflight, LLC
Case No. 3:23-cv-01757-X

Settlement Notice

Authorized by the U.S. District Court



Why did you get this notice?

This notice is to tell you that the lawsuit you consented to join back in January 2025, *Fredericks v. Ameriflight*, has settled. **You are entitled to money as part of the settlement.** This notice tells you how to get more information about the settlement and to ensure that you receive all payments owed to you.

How much money will I receive? The monetary part of the settlement has two parts:

Reimbursement for training payments made after you left Ameriflight	Based on Ameriflight’s records, you made a total of \$[insert] in payments to Ameriflight under the training repayment agreement. If the Court approves the settlement, you will receive this entire amount by check, unless you choose an alternative payment option (Venmo, PayPal, Zelle).
Minimum wage damages	If the Court approves the settlement, approximately [X] months after the first payment, you will receive a second payment of \$ [insert], which represents compensation for the minimum wage violations alleged in this lawsuit.

You can choose your payment option and learn more at: [\[website\]](#), or scan the QR code.

What else is included in the settlement?

As part of the settlement, Ameriflight has agreed to declare that its training repayment agreement with you is null and void. This means that you have no further obligations to Ameriflight under the agreement.

You will release Ameriflight of and from all known and unknown claims for an unlawful kickback and/or failure to pay wages free and clear under the Fair Labor Standards Act, and any other claims that were asserted or that could have been asserted under state or federal wage and hour laws based on the facts alleged in the operative complaint.

A complete copy of the settlement agreement that you will be considered a party to is available at [\[website\]](#).

Key things to know:

- This is an important legal document.
- If you have questions or need assistance, please call [\[phone number\]](#)

**Court-Approved
Legal Notice**



This is an important notice about a
class action lawsuit.

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- 5) The Court directs the Plaintiff to file a petition for attorneys' fees and costs two weeks prior to the end of the objection period;
- 6) The Court schedules a final fairness and approval hearing to take place on _____ [a date on or around May 15, 2026], at which time Plaintiff will report to the Court the results of the notice process and explain why this settlement should be given final approval and the settlement fund distributed.

IT IS SO ORDERED this ____ day of _____, 2026

BRANTLEY STARR
UNITED STATES DISTRICT JUDGE