

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
MIAMI DIVISION

CASE NO. 14-23100-CIV- GOODMAN  
[CONSENT CASE]

AMBER GRACE TEUFEL, as an  
Individual and on behalf of all  
others similarly situated,

Plaintiffs,

vs.

KARLIN FOODS CORPORATION,

Defendant.

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**FINAL ORDER APPROVING CLASS ACTION SETTLEMENT**

On May 18, 2015, District Judge Joan A. Lenard granted [ECF No. 36] preliminary approval to the Stipulation of Class Action Settlement (the "Agreement"). The District Court also provisionally certified a nationwide Settlement Class for settlement purposes, approved the procedure for giving notice and forms of notice, and set a final approval hearing to take place on September 14, 2015. [*Id.*]. On September 1, 2015, the parties consented to the Undersigned holding the Final Approval Hearing and entering final judgment in this action. [ECF No. 41]. That same day, the District Court referred the matter to the Undersigned to conduct the Final Approval Hearing and enter final judgment. [ECF No. 42].

On September 14, 2015 the Court held a duly noticed Final Approval Hearing to consider: (1) whether the terms and conditions of the Agreement are fair, reasonable, and adequate; (2) whether a judgment should be entered dismissing the Action with prejudice; and (3) whether and in what amount to award Class Counsel as attorneys' fees and expenses and whether and in what amount to award a service award payment to the Class Representative. [ECF No. 47]. At the conclusion of the Final Approval Hearing, the Undersigned ordered that the Claims Administrator file a summary of the claims filed to date, broken down by whether they were received online or by mail, and also including the total dollar value of the claims. [ECF No. 48]. A Notice of Compliance was filed with the required information. [ECF No. 49].

Based upon the submissions of the Parties and all matters submitted to the Court at the hearing and otherwise,

IT IS ORDERED, ADJUDGED, AND DECREED:

1. The Agreement, including the definitions contained therein, is incorporated by reference into, and is a part of, this Order Approving Settlement. All capitalized terms used herein shall have the same meanings as set forth in the Agreement unless set forth differently herein.

2. The Court has personal jurisdiction over the Parties and the Settlement Class Members, and it has subject matter jurisdiction to approve the Agreement, including all exhibits thereto, and enter this Final Judgment and Order Approving

Settlement. Without in any way affecting the finality of this Order Approving Settlement, this Court hereby retains jurisdiction as to all matters relating to administration, consummation, enforcement, and interpretation of the Agreement and of this Order Approving Settlement, and for any other necessary purpose.

3. The Court finds, for settlement purposes only and conditioned upon the entry of this Order Approving Settlement and upon the occurrence of the Effective Date, that the requirements of Rule 23 of the Federal Rules of Civil Procedure are met by the Settlement Class: (a) the number of Settlement Class Members is so numerous that joinder of all members thereof is impracticable, if not impossible; (b) there are questions of law and fact common to the Settlement Class; (c) Amber Teufel's ("Teufel") claims are typical of the claims of the Settlement Class she seeks to represent; (d) Teufel has fairly and adequately represented, and will continue to fairly and adequately represent the interests of the Settlement Class; (e) the questions of law and fact common to the Settlement Class Members predominate over any questions affecting any individual Settlement Class Member; (f) Karlin Foods, Inc. ("Karlin") has acted on grounds that apply generally to the Settlement Class, such that final injunctive relief is appropriate respecting the Settlement Class as a whole; (g) a class settlement is superior to other available methods for a fair resolution of the controversy.

4. Pursuant to Federal Rule of Civil Procedure 23, this Court hereby finally certifies, for settlement purposes only, a Settlement Class defined as:

All Persons who, for personal or household use, purchased in the United States from August 22, 2010 to the present, Wal Mart's Great Value™ All Natural Cornstarch, which was distributed by Karlin Foods Corporation and sold exclusively at WalMart Stores<sup>1</sup>. Excluded from the Settlement Class are: (a) all Persons who purchased or acquired the Product for resale; (b) Karlin Foods Corporation and its employees, principals, affiliated entities, legal representatives, successors and assigns, and WalMart Stores, Inc. and its parents and/or subsidiaries; (c) any Person who files a valid, timely Request for Exclusion; (d) federal, state, and local governments (including all agencies and subdivisions thereof, but excluding employees thereof) and (e) the judges to whom this Action is assigned and any members of their immediate families.

5. The Court reaffirms the appointment of Teufel as Class Representative, and finds that she has adequately represented the Settlement Class for purposes of entering into and implementing the Agreement. The Court reaffirms the appointment of Joshua H. Eggnatz, Esq. and Michael J. Pascucci, Esq. of Eggnatz, Lopatin & Pascucci, LLP, 5400 S. University Drive, Suite 413, Davie, FL 33328, as Class Counsel and finds that Class Counsel have adequately represented the Settlement Class for purposes of entering into and implementing the Agreement.

6. The Court finds that notice was given to Settlement Class Members pursuant to the Notice Plan and the Court's Order Granting Preliminary Approval of Class Action Settlement (the "Preliminary Approval Order"), and that said notice was appropriate under the circumstances, and constitutes valid, due, and sufficient notice to

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<sup>1</sup> "Product" means Wal Mart's Great Value™ All Natural Cornstarch, distributed by Karlin Foods Corporation and sold exclusively at Wal Mart Stores, Inc.

the Settlement Class in full compliance with the requirements of applicable law, including the Due Process Clause of the United States Constitution. The Settlement Class Members received notice of (a) the pendency of the Action; (b) the terms of the proposed Settlement, including the Release; (c) their rights under the proposed Settlement; (d) their right to exclude themselves from the Settlement Class and the proposed Settlement; (e) their right to object to any aspect of the proposed Settlement; (f) their right to appear at the Final Approval Hearing; (g) Class Counsel's request for attorneys' fees and expenses and an incentive award to the Class Representatives; and (h) the binding effect of this Final Judgment and Order Approving Settlement on all Persons who did not timely exclude themselves from the Settlement Class.

7. The Court finds that notice of the proposed Settlement was provided to the appropriate state and government officials pursuant to 28 U.S.C. § 1715. Furthermore, the Court has given the appropriate state and government officials the requisite ninety (90) day time period to comment or object to the proposed Settlement before entering this Final Judgment and Order Approving Settlement and no such comments or objections were received.

8. The terms and provisions of the Agreement have been entered into in good faith and are hereby fully and finally approved as fair, reasonable, and adequate as to, and in the best interests of, each of the Parties and the Settlement Class Members. There were no objections filed in this Action. Accordingly, the Court hereby directs that

the Settlement shall be effected in accordance with the terms of the Agreement (all of which terms and definitions are adopted and incorporated herein by reference).

9. The terms of the Agreement, and of this Order Approving Settlement, shall be forever binding on, and shall have *res judicata* and preclusive effect in, all pending and future lawsuits maintained by Plaintiff and all other Settlement Class Members who did not timely exclude themselves from the Settlement Class, as well as their heirs, executors, and administrators, successors, and assigns.

10. Karlin is ordered to implement the terms and conditions of the Agreement, including payment to all Settlement Class Members who have not excluded themselves from this Settlement and who submit a timely, valid Claim pursuant to the Agreement, and making the following changes with respect to the Products within sixty (60) days after entry of the Final Judgment and Order Approving Settlement:

a. Karlin shall ensure that its Product is no longer being falsely represented to the public as being "All Natural," as alleged by Plaintiff. Specifically, Defendant must cease using the "All Natural" statement in connection with the sale of the Product upon execution of this Agreement. If Defendant chooses to resume using the "All Natural" statement in the future, then it shall first obtain certification from its suppliers to verify that their ingredients are not synthetic, artificial or derived from genetically modified and/or bioengineered sources, unless the relevant state or federal

regulatory agency has specifically determined that such labeling would be appropriate under the circumstances.

11. Karlin will provide a report to the Court at the end of the sixty (60) day period following entry of the Final Judgment and Order Approving Settlement regarding its compliance with the injunctive relief provisions contained in Paragraph 10 of the Final Judgment and Order Approving Settlement.

12. The Final Judgment and Order Approving Settlement does not preclude Karlin from making further changes to any of its product labels or marketing that (a) Karlin believes are reasonably necessary to comply with any statute; (b) if Karlin provides accurate product descriptions; or (c) if Karlin provides descriptions that are more detailed than those required by the Agreement and Release and/or the Final Judgment and Order Approving Settlement.

13. Karlin shall satisfy all valid Claims made, with a cap on cash payments to the Settlement Class of \$515,000.00. If the total of Approved Claims exceeds \$515,000.00, then the Claims Administrator shall calculate and pay a pro rata reduction of the amount due each Settlement Class Member, such that \$515,000.00 will satisfy all Approved Claims.

14. Upon the occurrence of the Effective Date, Teufel and the Settlement Class Members, and the Releasing Parties shall be deemed to have, and by operation of the Final Judgment and Order Approving Settlement shall have, provided Karlin and the

Released Parties with the Release set forth in Section XI of the Agreement. By this Final Judgment and Order Approving Settlement and upon the occurrence of the Effective Date, Plaintiff, the Settlement Class Members, and the Releasing Parties shall be deemed to have, and by operation of the Final Judgment and Order Approving Settlement shall have, fully, finally, and forever released, relinquished, and discharged all Released Claims, which include:

Any individual, class, representative, group or collective action, claim, liability, right, demand, suit, matter, obligation, damage, loss, action, or cause of action, of every kind and description that a Releasing Party has or may have, including assigned claims, whether known or Unknown, asserted or un-asserted, latent or patent, that is, has been, could reasonably have been or in the future might reasonably be asserted under any body of law by the Releasing Party either in a court or any other judicial or other forum, regardless of legal theory or relief claimed, and regardless of the type of relief or amount of damages claimed, against any of the Released Parties arising from, or in any way relating to Labeling, sales, marketing, or advertising, regardless of medium, of any of the Products, including but not limited to any claim that the Labeling is false or misleading in any way. For purposes of this Agreement, the term "Unknown Claim" means any all Released Claims that any member of the Settlement Class, or anyone acting on behalf of or in their interest, does not know or suspect to exist against any of the Released Parties which, if known, might have affected his or her decision regarding the settlement of the Action. Notwithstanding the provisions of this paragraph or of any other paragraph in this Agreement, this Agreement shall not be deemed to release any claim that a Releasing Party has or may have for personal injury.



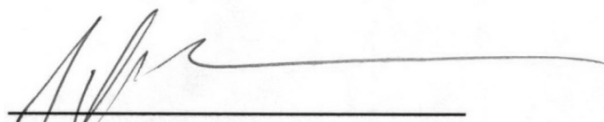
15. Pursuant to Federal Rule of Civil Procedure 23(h), the Court awards Class Counsel attorneys' fees and expenses in the amount of \$160,000.00 to be paid by Karlin within 10 calendar days of the Effective Date of the Stipulation of Settlement.

16. The Court finds and determines that a service award of \$5,000.00 is due and payable to Teufel for her services and efforts in the representation of the Settlement Class, which the Court authorizes and directs Class Counsel to pay from its Fee Award within 10 calendar days of Class Counsel's receipt of payment of the Fee Award.

17. Neither the Final Judgment and Order Approving Settlement, nor the Agreement, nor any act performed or document executed pursuant to or in furtherance of the Agreement or the Settlement is or may be deemed to be or may be used as an admission of, or evidence of, the validity of any Released Claims, or of any wrongdoing or liability of Karlin or any other Released Party; or is or may be deemed to be or may be used as an admission of, or evidence of, any fault or omission of Karlin or any other Released Part in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal. However, any Released Party may file the Agreement and/or the Final Judgment and Order Approving Settlement in any action that may be brought against it in order to support any defense or counterclaim, including without limitation those based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

18. In the event that the Effective Date does not occur, certification of the Settlement Class shall be automatically vacated and this Order Approving Settlement, and all other orders entered and releases delivered in connection herewith, shall be vacated and shall become null and void.

**DONE AND ORDERED** in Chambers, in Miami, Florida, February 8, 2016.



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Jonathan Goodman  
UNITED STATES MAGISTRATE JUDGE

Copies furnished to:  
All Counsel of Record