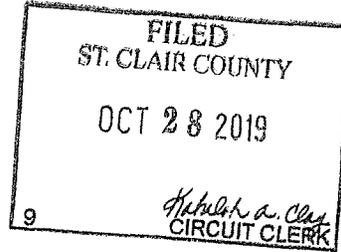


**CIRCUIT COURT FOR THE 20TH JUDICIAL CIRCUIT
COUNTY OF ST. CLAIR, STATE OF ILLINOIS**

DENISE HANSEN-MITCHELL, AUSTIN)
BARNES, CHARLOTTE LAMARCA,)
KIM KEANE, HANNAH GRINDEL, TIM)
DEMOOR, MEGAN RATCLIFF, NICOLE)
JAUER REYNOLDS, PATRICIA)
CAMPBELL, JENNIFER JOHANCEN,)
KATHERINE STUCKEY, CYNTHIA)
BELL, JULIE GEORGE, MICHELLE)
BLAIR, ANGELA BARNES, JENNIFER)
DOUGHERTY, LENA MAY, CHERYL)
KARRAS HULSE, DAWN SNYDER,)
GREGORY SHRUM, CAITLIN NOVAK,)
SHANNON FLINN-LAMBERT, RACHEL)
ANN ADAMS, SAM O'NEILL, GARY)
SNYDER, ELISE AASGAARD,)
JULIEANN BERG, SHANNAH BURTON,)
PAULETTE KREMMEL, LEYLA)
MOZAYEN, AND EMILY LANE,)
individually and on behalf of all others)
similarly-situated,)
)
Plaintiffs,)
)
v.)
)
WELSPUN USA, INC., WELSPUN)
GLOBAL BRANDS LIMITED, AND)
WELSPUN INDIA LTD.)
)
Defendants.)
)

No. 19-L-0391



**FINAL APPROVAL OF THE SETTLEMENT AGREEMENT; FINAL JUDGMENT;
AWARD OF ATTORNEYS' FEES, EXPENSES, AND CLASS SERVICE
AWARDS; AND ORDER OF DISMISSAL WITH PREJUDICE**

WHEREAS, on July 2, 2019, this Court entered a Preliminary Approval Order that conditionally certified pursuant to 735 ILCS 5/2-807(b), for settlement purposes only, a class consisting of:

All Persons who, between January 1, 2012 and July 2, 2019, purchased any Subject Product in the United States or any of its territories through any in-store or online

distributor or retailer, such purchases not made for purposes of resale or commercial use.

WHEREAS, this Court finds that the papers are detailed and sufficient to rule on Plaintiffs' Motion for Final Approval on the papers; and

WHEREAS, the parties submitted a Motion for Preliminary Approval on May 23, 2019 and a Second Amended Motion for Preliminary Approval on June 26, 2019, which increased the Benefits for Settlement Class Members following negotiations between the parties and Bursor & Fisher PA pursuant to the terms of the Supplemental Agreement;

WHEREAS, this Court, having heard from Class Counsel on behalf of the Settlement Class, and from Defendants' Counsel, and having reviewed all other arguments and submissions presented by all interested persons and entities with respect to the Settlement and the Supplemental Agreement, including without limitation the two objections timely submitted in this action, and the application of Class Counsel's Attorneys' Fees and Expenses; and

WHEREAS, all capitalized terms used herein have the meanings set forth and defined in the Settlement Agreement, it is hereby

ORDERED, ADJUDGED, DECREED, AND FOUND THAT:

1. This cause arises out of Plaintiffs' allegations that the labeling, marketing, advertising, distribution, and selling of Welspun home textile products bearing the label "Egyptian Cotton" and "Pima Cotton" (the "Subject Products") were misleading.¹ Plaintiffs contend the Subject Products are mislabeled.

2. After extensive arm's-length settlement negotiations, including a formal mediation, the Parties agreed to settle this case.

¹ This reference includes all products listed on Exhibit C to the Settlement Agreement.

3. Based on the record before the Court, including the Settlement Agreement and the Supplemental Agreement, the declarations of Phillip J. Wakelyn, Layn R. Phillips, Jeanne Finegan, and J. Herbert Burkman, and the parties motions, the Settlement Agreement, including the Supplemental Agreement, provides substantial and meaningful monetary relief to the Settlement Class, in addition to the injunctive relief specified in Section III of the Settlement Agreement that requires the adherence to certain marketing and labeling practices to ensure that all marketing and labeling claims remain properly substantiated,.

4. The Settlement Agreement provides for a settlement under which Settlement Class Members can make claims to receive monetary benefits for purchasing the Subject Products.

5. The Settlement Class as provided in the Preliminary Approval Order is unconditionally certified pursuant to 735 ILCS 5/2-805. The prerequisites for a class action pursuant to 735 ILCS 5/2-801 *et seq.* have been satisfied in that (i) the members of the Settlement Class are so numerous that joinder of all members thereof is impracticable; (ii) there are questions of law or fact common to the Settlement Class and the common questions predominate over any questions affecting only individual members; (iii) Plaintiffs have and will fairly and adequately represent the interests of the Settlement Class;; and (iv) a class action is an appropriate method for the fair and efficient adjudication of this controversy.

6. For purposes of the injunctive relief specified in Section III of the Settlement Agreement, the prerequisites for a class action under 735 ILCS 5/2-801 *et seq.* have been satisfied in that (i) the members of the Settlement Class are so numerous that joinder of all member thereof is impracticable; (ii) there are questions of law or fact common to the Settlement Class, and the common questions predominate over any questions affecting only individual members; (iii) Plaintiffs have and will fairly and adequately represent the interests of the Settlement Class; and

(iv) Defendants have acted or refused to act on grounds generally applicable to the class, thereby making appropriate final injunctive or declaratory relief with respect to the class as a whole.

7. The following are appointed as Class Representatives of the Settlement Class: Denise Hansen-Mitchell, Austin Barnes, Charlotte LaMarca, Kim Keane, Hannah Grindel, Tim DeMoor, Megan Ratcliff, Nicole Jauer Reynolds, Patricia Campbell, Jennifer Johancen, Katherine Stuckey, Cynthia Bell, Julie George, Michelle Blair, Angela Barnes, Jennifer Dougherty, Lena May, Cheryl Karras Hulse, Dawn Snyder, Gregory Shrum, Caitlin Novak, Shannon Flinn-Lambert, Rachel Ann Adams, Sam O'Neill, Gary Snyder, Elise Aasgaard, Julieann Berg, Shannah Burton, Paulette Kremmel, Leyla Mozayen, and Emily Lane.

8. The Court confirms the following as Class Counsel: Bruce W. Steckler and Stuart L. Cochran, Steckler Gresham Cochran PLLC; David C. Nelson, Nelson & Nelson, Attorneys at Law, P.C.; and Matthew Armstrong, Armstrong Law Firm LLC.

9. The Settlement, as set forth in the Settlement Agreement, is in all respects, fair, reasonable, adequate, equitable, is in the best interests of the Settlement Class Members, and is approved in all respects in accordance with 735 ILCS 5/2-805.

10. The Settlement was negotiated at arm's-length by experienced counsel who were fully informed of the facts and circumstances of the Action and of the strengths and weaknesses of their respective positions. (*See Decl. of Stuart L. Cochran at ¶¶ 5-6.*) The Settlement was reached after the Parties exchanged significant discovery, including sales data regarding the Subject Products, and then engaged in extensive negotiations and formal mediation before the Honorable Layn R. Phillips, retired United States District Judge, who has submitted a declaration in connection with final approval "support[ing] the Court's approval of the Settlement in all respects." (*See Decl. of Layn R. Phillips at ¶ 14.*) Class Counsel and Defendants' Counsel are

therefore well positioned to evaluate the benefits of the Settlement, taking into account the expense, risk, and uncertainty of protracted litigation over numerous questions of fact and law.

11. Notice to the members of the Settlement Class required by 735 ILCS 5/2-803 has been provided as directed by this Court in the Preliminary Approval Order, and such notice having constituted the best notice practicable, including, but not limited to, the forms of notice, methods of identifying and providing notice to the members of the Settlement Class, and explanation of their rights as Class Members, has satisfied the requirements of the Illinois Rules of Civil Procedure, and all other applicable laws.

12. The Court finds that home textile products that Defendants market or label as “Egyptian Cotton” are correctly, accurately, and truthfully labeled and marketed if they meet the criteria of Section 3.2; that home textile products that Defendants market or label as “Pima Cotton” are correctly, accurately, and truthfully labeled and marketed if they meet the criteria of Section 3.4; and that home textile products that Defendants market or label as “Supima® Cotton” are correctly, accurately, and truthfully labeled and marketed if they meet the criteria of Section 3.6; and accordingly the Court orders that Defendants follow the injunctive relief specified for these home textile products in Section III of the Settlement Agreement. (*See* Decl. of Dr. Phillip J. Wakelyn at ¶¶ 17-18.)

13. Plaintiffs and Defendants are directed to promptly consummate the Settlement in accordance with the Settlement Agreement and all of its terms.

14. The Settlement shall not be deemed to constitute an admission or finding of liability or wrongdoing on the part of Defendants, Plaintiffs, any of the Settlement Class Members, or the Released Parties.

15. The Action is hereby dismissed, with prejudice, on the merits, as against the Defendants, on the terms and conditions set forth in the Settlement Agreement, and without costs to any party except as provided herein and in the Settlement Agreement.

16. Plaintiffs, each Settlement Class Member, and each Releasing Party shall be deemed to have, and by operation of this Final Approval Order and Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Released Claims against the Released Parties in the manner(s) set forth in Section IX of the Settlement Agreement.

17. Plaintiffs, each Settlement Class Member, and each Releasing Party are permanently barred and enjoined from asserting, commencing, prosecuting, or continuing any of the Released Claims.

18. Class Service Awards are hereby awarded to the following individuals in the amount of seven-hundred-fifty dollars and zero cents (\$750.00) each: Denise Hansen-Mitchell, Austin Barnes, Charlotte LaMarca, Kim Keane, Hannah Grindel, Tim DeMoor, Megan Ratcliff, Nicole Jauer Reynolds, Patricia Campbell, Jennifer Johancen, Katherine Stuckey, Cynthia Bell, Julie George, Michelle Blair, Angela Barnes, Jennifer Dougherty, Lena May, Cheryl Karras Hulse, Dawn Snyder, Gregory Shrum, Caitlin Novak, Shannon Flinn-Lambert, Rachel Ann Adams, Sam O'Neill, Gary Snyder, Elise Aasgaard, Julieann Berg, Shannah Burton, Paulette Kremmel, Leyla Mozayen, and Emily Lane paid pursuant to the terms of the Settlement Agreement, as compensation for their efforts in bringing the Action and achieving the benefits of the Settlement on behalf of the Settlement Class.

19. Class Counsel are hereby awarded (i) attorneys' fees and (ii) reimbursement of their reasonable expenses in the amount of nine million (\$9,000,000). Class Counsel

shall provide to Defendants in a timely manner all information necessary to enable Defendants to make the payment in the time required.

20. The award of attorneys' fees to Class Counsel shall be allocated among Class Counsel in a fashion that, in the opinion of Class Counsel, fairly compensates them for their respective contributions in the prosecution of the Action. In making its award of attorneys' fees and reimbursement of expenses, in the amounts described in paragraph 19 above, the Court has considered and finds as follows:

- a. The Settlement has provided material relief to the Settlement Class.
- b. Defendants' agreement to adhere to the marketing and labeling practices related to the Subject Products was a negotiated, significant term of the Settlement. Although the Settlement Amount and Benefits under the Settlement alone provide sufficient value to Class Members to warrant final approval of the Settlement, Plaintiffs have noted on the record that their expert, J. Herbert Burkman, Ph.D., has concluded that this injunctive relief has considerable value, which further supports the reasonableness of the Settlement.
- c. The Class Notice constituted the best notice practicable to Settlement Class Members consistent with the requirements of due process. Notice of the Settlement was extensive, with more than 5.4 million direct notices sent to consumers and targeted national print and social media reaching tens of millions more. (See Decl. of Jeanne Finegan ("Finegan Dec.") at ¶ 17.)
- d. The Settlement provides a fair opportunity for all members of the Class to file a claim and be compensated. The Media Plan combined with the length

of the Claim Period provides a more than ample opportunity for any Settlement Class Member who wishes to file a claim to do so. It is this opportunity to file a claim and be compensated that is the fairest measure of whether the Settlement is indeed fair, reasonable, and adequate. The Media Plan also explained to Class Members their ability to choose to be excluded from the Settlement Class by filing a written request for exclusion or their ability to file an objection to the settlement. After Notice was provided, only two Settlement Class Members objected and less than 0.002% of the estimated Settlement Class Members opted out. (*See* Finegan Decl. at ¶¶ 31-32.)

- i. Objection of Mr. Dermot O'Hagan: The objection received was both substantively and procedurally deficient. First, Mr. O'Hagan assumed that because he received direct notice, the parties allegedly had sufficient information such that Class Members who received direct notice should not be required to show proof of purchase to receive a full Tier 1 Benefit. However, the Settlement Administrator explains that, while the parties did obtain certain records from some of the retailers that provided contact information for potential purchasers of Subject Products, those third-party records did not contain information that would enable the Settlement Administrator to determine whether and in what amount each customer may be entitled to claim Settlement Benefits. (*See id.* at ¶ 32.) Accordingly, while the Settlement Administrator was able to inform

certain customers that they may be eligible for Settlement Benefits, the Settlement Administrator could not determine if each customer was in fact entitled to Settlement Benefits and the amount of such Settlement Benefits unless the customer submitted a claim form. (*See id.*) Second, Mr. O'Hagan also assumed that the credit card statement he had available was insufficient proof of purchase such that he, and any other Class Member with the same or similar record, would not be entitled to a Tier 1 Benefit. According to the Settlement Administrator, this level of information provided by Mr. O'Hagan was in fact sufficient to entitle him and any other Class Member with the same or similar records, to a Tier 1 Benefit. Finally, Mr. O'Hagan's objection failed to meet certain procedural requirements, including that it provide whether he had already received a Refund or reimbursement for his purchase of a Subject Product. Without that information, the Settlement Administrator could not determine whether Mr. O'Hagan would actually be entitled to a Tier 1 Benefit or to a Tier 3 Benefit for a voucher without his submission of information about whether he received a Refund. (See Finegan Decl. at ¶¶ 13, 33.) This objection is accordingly overruled by the Court.

- ii. Letter of Dr. Howard L. Singer: Dr. Singer indicates that he does not wish to participate in the Settlement approval proceedings, which is more appropriately characterized as an opt-out, rather than

an objection. To the extent that Dr. Singer did intend to object to the Settlement, his objection was still substantively and procedurally deficient and should be overruled, including because Singer failed to establish that he was a member of the Settlement Class, his critique of the Settlement Benefits would have provided Settlement Class Members with a recovery that would have significantly exceeded their alleged damages, and his proposal to use funds from the Settlement to reduce the national debt would constitute a *cy pres* settlement that is not aligned with the narrow interests of the class here.

- e. By providing this opportunity for compensation or to opt-out or file an objection, Class Counsel have demonstrated that they have represented the Class well. Class Counsel have conducted the litigation and achieved the Settlement with skill, perseverance, and diligent advocacy on behalf of Plaintiffs and the Settlement Class as a whole.
- f. The Action involves complex factual and legal issues and, in the absence of the Settlement, would involve further lengthy proceedings and uncertain resolution of such issues.
- g. Had the Settlement not been achieved, there would remain a significant risk that the Settlement Class may have recovered less or nothing from Defendants, and that any recovery would have been significantly delayed, which would have resulted in the continued exposure of Settlement Class Members to the challenged representations.

h. The amount of attorneys' fees and reimbursable expenses awarded to Class Counsel is fair and reasonable. The relief provided by the Settlement provides a claims process whereby Class Members have the opportunity to recover a fair benefit weighing the strengths and weakness of the claims. Given the skills required to prosecute this case, the experience, reputation, and ability of Class Counsel, the fact that the fees were always contingent, the fee is not disproportionately excessive in light of the benefits conferred on the members of the Settlement Class and the risk taken by prosecuting this case. Moreover, the amount awarded is within the norms in class actions in the state of Illinois.

21. Defendants, Released Parties, and the Additional Released Parties shall not be liable for any additional fees or expenses for Class Counsel or counsel of any Plaintiffs or Settlement Class Members in connection with the Action, beyond those expressly provided in the Settlement Agreement.

22. By reason of the Settlement, and approval hereof, there is no just reason for delay and this Final Order and Judgment shall be deemed a final judgment pursuant to the Illinois Rules of Civil Procedure.

23. Jurisdiction is reserved, without affecting the finality of this Final Approval Order and Judgment, over:

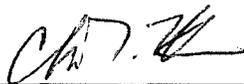
- a. Effectuating the Settlement and the terms of the Settlement Agreement, including the payment of Plaintiffs' counsel's attorneys' fees and reimbursement of expenses, including any interest accrued thereon;
- b. Supervising all aspects of the administration of the Settlement;

- c. Determining whether, in the event an appeal is taken from any aspect of this Final Approval Order and Judgment, notice should be given at the appellant's expense to some or all Settlement Class Members apprising of the pendency of the appeal and such other matters as the Court may order;
- d. Enforcing and administering the Settlement Agreement and the Settlement, including any releases executed in connection therewith, and the provisions of this Final Approval Order and Judgment;
- e. Adjudicating any disputes that arise under the Settlement Agreement; and
- f. Any other matters related or ancillary to the foregoing.

24. The above-captioned Action is hereby dismissed in its entirety with prejudice.

SO ORDERED, ADJUDGED, AND DECREED.

Dated: 10/28/19



The Honorable Christopher T. Kolker