

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND**

**IN RE ANNE ARUNDEL DATA BREACH
LITIGATION**

Case No. 1:25-cv-02274

**MEMORANDUM OF LAW IN SUPPORT OF PLAINTIFFS' MOTION
FOR ATTORNEYS' FEES, EXPENSES, AND SERVICE AWARDS**

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I. INTRODUCTION

Plaintiffs¹ respectfully submit this Memorandum of Law in support of their request for: (i) attorneys' fees in the amount of one-third of the Settlement Fund (\$800,000.00);² (ii) reimbursement of reasonable litigation expenses in the amount of \$25,226.98; and (iii) Service Awards in the amount of \$1,500.00 per Plaintiff (\$33,000.00 total). Class Counsel have diligently and efficiently prosecuted this matter to secure an outstanding settlement for Plaintiffs and the Settlement Class without any guarantee of payment for their services. Through their determination and hard work, they secured a *non-reversionary* Settlement Fund of \$2,400,000.00 for Plaintiffs and the Settlement Class. The Settlement achieved would not be possible without the significant investment of time and resources by Class Counsel and Plaintiffs. As such, the Motion should be GRANTED to compensate them for their efforts and the successful outcome attained.

II. FACTUAL AND PROCEDURAL BACKGROUND

In the interest of efficiency, for the factual and procedural background underpinning this case, and a summary of the Settlement terms, Plaintiffs respectfully refer the Court to and hereby incorporate by reference the Memorandum in Support of Plaintiffs' Unopposed Motion for Preliminary Approval of Class Action Settlement filed on January 30, 2026 (ECF No. 37-1). Plaintiffs also submit the Joint Declaration of Class Counsel in Support of Plaintiffs' Motion for Attorneys' Fees, Expenses, and Service Awards ("Joint Fee Decl."), attached hereto as **Exhibit 1**,

¹ "Plaintiffs" collectively refers to Natalia Correa, Peyton Sulkowski, Jennifer Longwell, Shemika Jones, Brice Farris, Michael Straw, Barbara Buracker, Paul Gale, Earl Beville Jr., Steven Boehm, Paul Madigan, Heidi Shell, Troy Botteon, Richard Bernard, Jason Tyson, Crystal Hall, Terri Wilson, Raven Martin, Jacqueline Smith, Alunda Mitchell (on behalf of J.D., a minor), Diana Wilson, and George Tyler.

² All capitalized terms herein shall have the meaning ascribed to them in the Class Action Settlement Agreement and Release (the "Settlement Agreement," "Settlement," or "SA") (ECF No. 37-2), unless otherwise defined herein.

in further support of this Motion.

III. ARGUMENT

A. The Requested Attorneys' Fees Should be Approved to Compensate Counsel for the Non-Reversionary Common Fund Settlement Obtained for the Settlement Class.

1. Awarding Attorneys' Fees on a Percentage-of-Recovery Basis is Appropriate.

Federal Rule of Civil Procedure (“Rule”) 23(h) affords the Court authority to “award reasonable attorneys’ fees and nontaxable costs that are authorized by law or by the parties’ agreement” in class actions. Fed. R. Civ. P. 23(h). “There are two main methods for calculating the reasonableness of attorneys’ fees—the lodestar method and the percentage-of-recovery method.” *McAdams v. Robinson*, 26 F.4th 149, 162 (4th Cir. 2022). “The lodestar method calculates reasonable fees ‘by multiplying the number of reasonable hours expended times a reasonable rate,’” *id.* (citation omitted), while the percentage-of-recovery method “considers the portion of the total settlement fund that will go to attorneys’ fees.” *Id.* (citation omitted). Courts “may choose the method it deems appropriate based on its judgment and the facts of the case.” *Id.* (citation omitted).

When a proposed settlement creates a common fund for the class, as is the case here, the District of Maryland has consistently awarded attorneys’ fees using a percentage-of-recovery method with a lodestar crosscheck. *Donaldson v. Primary Residential Mortg.*, No. ELH-19-1175, 2021 U.S. Dist. LEXIS 101625, at *20 (D. Md. May 28, 2021) (“Courts in this circuit generally use a percentage of recovery method and supplement it with the lodestar method as a cross-check.” (citation omitted)); *Jernigan v. Protas, Spivok & Collins, LLC*, No. CV ELH- 16-03058, 2017 U.S. Dist. LEXIS 154241, at *8 (D. Md. Sept. 20, 2017); *McDaniels v. Westlake Servs., LLC*, No. ELH-11-1837, 2014 U.S. Dist. LEXIS 16081, at *37–39 (D. Md. Feb. 7, 2014).

As one district court in the Fourth Circuit explained after collecting and reviewing class action cases:

In sum, there is a clear consensus among the federal and state courts, consistent with Supreme Court precedent, that the award of attorneys' fees in common fund cases should be based on a percentage of the recovery. This consensus derives from the recognition that the percentage of fund approach is the better-reasoned and more equitable method of determining attorneys' fees in such cases.

Cox v. Branch Banking & Tr. Co., No. 5:17-cv-01982, 2019 U.S. Dist. LEXIS 4587, at *11 (S.D. W. Va. Jan. 10, 2019) (citation omitted).³ Thus, employing the percentage-of-recovery method is appropriate here.

The common fund doctrine originates from the equitable principles of quantum meruit and unjust enrichment and aims to shift the expense of litigation from Plaintiffs, who obtained the fund's benefits, to the absent class members, who benefit from the fund but likely contributed little, or nothing, to the process. *Brundle v. Wilmington Tr., N.A.*, 919 F.3d 763, 785 (4th Cir. 2019). As the Fourth Circuit has explained, awarding fees as a percentage of the common fund "hold[s] the beneficiaries of a judgment or settlement responsible for compensating the counsel who obtained the judgment or settlement for them." *Id.* at 786.

More generally, the Fourth Circuit has expressly recognized the importance and purpose of a contingency fee approach in a different but applicable context, noting that contingency fees:

transfer a significant portion of the risk of loss to the attorneys taking a case. Access to the courts would be difficult to achieve without compensating attorneys for that

³ The percentage-of-recovery method is also overwhelmingly preferred by district courts in this Circuit. *See, e.g., Galloway v. Williams*, No. 3:19-cv-470, 2020 U.S. Dist. LEXIS 238950, at *17 (E.D. Va. Dec. 17, 2020) ("Nevertheless, over time, certain customs have developed, both in the Fourth Circuit and across the country; for example, the favored method for calculating attorneys' fees in common fund cases is the percentage of the fund method."); *Kelly v. Johns Hopkins Univ.*, No. 1:16-cv-2835, 2020 U.S. Dist. LEXIS 14772, at *5 (D. Md. Jan. 28, 2020) (noting the percentage method is "overwhelmingly" preferred); *Archbold v. Wells Fargo Bank, N.A.*, No. 13-24599, 2015 U.S. Dist. LEXIS 92855, 2015 WL 4276295, at *5 (S.D.W. Va. July 14, 2015) ("[T]he Court concludes that there is a clear consensus ...that the award of attorneys' fees in common fund cases should be based on a percentage of the recovery.").

risk. ... In addition, it may be necessary to provide a greater return than an hourly fee offers to induce lawyers to take on representation for which they might never be paid, and it makes sense to arrange these fees as a percentage of any recovery.

* * *

Conversely, an attorney compensated on a contingency basis has a strong economic motivation to achieve results for his client, precisely because of the risk accepted. As the Seventh Circuit has explained, “[t]he contingent fee uses private incentives rather than careful monitoring to align the interests of lawyer and client. The lawyer gains only to the extent his client gains.” *Kirchoff v. Flynn*, 786 F.2d 320, 325 (7th Cir. 1986). A contingency fee “automatically handles compensation for the uncertainty of litigation” because it “rewards exceptional success, and penalizes failure.” *Id.* at 326.

In re Abrams & Abrams, P.A., 605 F.3d 238, 246 (4th Cir. 2010).

The percentage method also aligns the interests of Class Counsel and the Settlement Class Members because it motivates Class Counsel to generate the largest possible recovery for the Settlement Class and rewards efficient litigation, thus removing any incentive to run up unnecessary attorney hours. *See Singleton v. Domino’s Pizza, LLC*, 976 F. Supp. 2d 665, 681 (D. Md. 2013) (“An attractive aspect of the ‘percentage of recovery’ method is its results-driven nature which ‘ties the attorneys’ award to the overall result achieved rather than the hours expended by the attorneys.’” (citation omitted)).⁴

By contrast, the lodestar method has several drawbacks. *See Manual for Complex Litigation*, § 14.121 (4th ed. 2004) (“in practice, the lodestar method is difficult to apply, time consuming to administer, inconsistent in result, ...capable of manipulation, ... [and] creates

⁴ *See also In re Anthem, Inc. Data Breach Litigation*, No. 15-MD-02617-LHK, 2018 U.S. Dist. LEXIS 140137, at *5 (N.D. Cal. 2018) (“By tying the award to the recovery of the Class, Class Counsel’s interests are aligned with the Class, and Class Counsel are incentivized to achieve the best possible result.” (citation omitted)); *In re Payment Card Interchange Fee & Merch. Disc. Antitrust Litig.*, 991 F. Supp. 2d 437, 440 (E.D.N.Y. 2014) (“The percentage method better aligns the incentives of plaintiffs’ counsel with those of the class members because it bases the attorneys’ fees on the results they achieve for their clients, rather than on the number of motions they file, documents they review, or hours they work.”).

inherent incentive to prolong the litigation”); *Lopez v. Youngblood*, No. CV-F-07-0474 DLB, 2011 U.S. Dist. LEXIS 99289, at *11 (E.D. Cal. Sep. 1, 2011) (“Among the drawbacks to the lodestar method . . . are that the lodestar method increases the amount of fee litigation; the lodestar method lacks objectivity; the lodestar method can result in churning, padding of hours, and inefficient use of resources; when the lodestar method is used, class counsel may be less willing to take an early settlement since settlement reduces the amount of time available for the attorneys to record hours; and the lodestar method inadequately responds to the problem of risk.”).

Accordingly, the Court should use the percentage-of-recovery method here.

2. Awarding One-Third of the Settlement Fund is Reasonable Under the Guiding Factors.

When considering the reasonableness of a percentage-of-recovery attorneys’ fee award, courts in the Fourth Circuit have analyzed the following seven (7) factors:

(1) the results obtained for the class; (2) the quality, skill, and efficiency of the attorneys involved; (3) the risk of nonpayment; (4) objections by members of the class to the settlement terms and/or fees requested by counsel; (5) awards in similar cases; (6) the complexity and duration of the case; and (7) public policy[.]

Singleton, 976 F. Supp. 2d at 682. Importantly, “fee award reasonableness factors need not be applied in a formulaic way because each case is different, and in certain cases, one factor may outweigh the rest.” *Id.* (citing *In re AT & T Corp.*, 455 F.3d 160, 166 (3d Cir. 2006) (internal quotation marks omitted)). Here, the above factors favor approval of the requested fee.

i. Factor 1: Results Obtained for the Settlement Class.

In the Fourth Circuit, “the most critical factor in calculating a reasonable fee award is the degree of success obtained.” *McDonnell v. Miller Oil Co.*, 134 F.3d 638, 641 (4th Cir. 1998) (citation and internal quotation omitted).

Through Class Counsel’s efforts and negotiations, the Settlement provides a *non-reversionary* Settlement Fund totaling \$2,400,000.00. The Settlement Fund will provide, among

other things: (i) reimbursement of up to \$5,000.00 for Documented Out-of-Pocket Losses; or (ii) an Alternative Pro Rata Cash Payment estimated at \$100.00. (SA, at Ex. D ¶ 2(A)). Additionally, all Settlement Class Members may elect to receive three (3) years of CyEx Medical Shield Complete. (*Id.* ¶ 2(B)).

These benefits directly address Settlement Class Members' claimed harm without requiring further protracted litigation. Specifically, the reimbursement for Documented Out-of-Pocket Losses compensates Plaintiffs and Settlement Class Members for expenses incurred as a result of the Data Security Incident, while Settlement Class Members who did not incur such losses remain eligible for a pro rata cash payment to compensate them for potential future harm. The Settlement therefore addresses the injuries and consequences allegedly suffered by Settlement Class Members following the Data Security Incident and provides meaningful compensation designed to make Settlement Class Members whole.

The benefits provided under the Settlement also mirror the benefits provided in the other finally approved data breach class action settlements. *See, e.g., In re Medstar Health Data Security Incident*, No. 1:24-cv-01335, ECF Nos. 34-1, 37, and 40 (D. Md.) (data breach settlement offering up to \$5,000.00 per class member in documented losses or a pro rata cash payment, as well as one (1) year of CyEx Medical Shield Complete); *In re AACOM Data Breach Litig.*, No. 8:25-cv-01239-DLB, ECF No. 32-1 ¶¶ 28–30, ECF No. 41 (D. Md.), (data breach settlement offering a cash payment estimated to be \$50.00 or \$3,500.00 in compensation for out-of-pocket losses, as well as twenty-four (24) months of three-bureau credit monitoring.); *In re Center for Vein Restoration Data Breach Litig.*, No. 8:24-CV-03593, ECF No. 39-2 ¶ 72 (D. Md.) (data breach settlement offering an estimated \$100.00 cash payment or up to \$5,000.00 in documented losses, plus two (2) years of medical monitoring); *In re Retina Group of Washington Data Security*

Incident Litigation, No. 8:24-cv-00004-LWW, ECF No. 35-2 ¶¶ 25–26 (D. Md.) (data breach settlement offering an alternative cash payment estimated at \$100.00 or reimbursement for each of (1) certain ordinary losses, (2) lost time, (3) certain extraordinary losses, and (4) two (2) years of three-bureau credit monitoring); *In re Onix Grp., LLC Data Breach Litig.*, No. 23-2288-KSM, 2024 U.S. Dist. LEXIS 225686, at *7–9, 48–49 (E.D. Pa. Dec. 13, 2024) (data breach settlement offering up to \$5,000.00 per class member in documented losses or a pro rata cash payment, as well as one (1) year of credit monitoring services); *In re Fortra File Transfer Software Data Sec. Breach Litig.*, No. 24-MD-03090-RAR, 2025 U.S. Dist. LEXIS 182685, at *48 (S.D. Fla. Sep. 17, 2025) (data breach settlement offering up to \$5,000.00 per class member in documented losses or a flat cash payment of \$85.00 in addition to dark web monitoring).

“[T]hrough the Settlement, Plaintiffs and Class Members gain benefits without having to face further risk.” *Desue v. 20/20 Eye Care Network, Inc.*, No. 21-CIV-61275-RAR, 2023 U.S. Dist. LEXIS 117355, at *25 (S.D. Fla. July 8, 2023). Accordingly, this factor weighs in favor of approving the requested fee.

ii. *Factor 2: Quality, Skills, and Efficiency of Class Counsel.*

The quality, skills, and efficiency of Class Counsel also support the requested fee. This action called for considerable skill and experience, requiring investigation and mastery of complex factual circumstances, the ability to develop creative legal theories, and the skill to respond to a host of legal defenses. Data breach litigation is a cutting-edge area of the law that presents numerous developing issues, evolving precedents, and unpredictable outcomes. *See, e.g., In re Sonic Corp. Customer Data Sec. Breach Litig.*, No. 1:17-md-2807, 2019 U.S. Dist. LEXIS 135573, at *14 (N.D. Ohio Aug. 12, 2019) (“Data breach litigation is complex and risky. This unsettled area of law often presents novel questions for courts. And of course, juries are always

unpredictable.”); *Corra v. ACTS Ret. Servs.*, No. 22-2917, 2024 U.S. Dist. LEXIS 500, at *34 n.4 (E.D. Pa. Jan. 2, 2024) (“[T]he Court recognizes that data breach cases such as this one are complex and risky, and recovery at trial is decidedly uncertain—\$350,000 in cash is significantly better than nothing.”); *In re Countrywide Fin. Corp. Customer Data Sec. Breach Litig.*, Nos. 3:08-MD-01998, 1998, 2010 U.S. Dist. LEXIS 87409, at *25–26 (W.D. Ky. Aug. 20, 2010) (approving data breach settlement, in part, because “proceeding through the litigation process in this case is unlikely to produce the plaintiffs’ desired results). Despite these risks, however, Class Counsel undertook this litigation on an entirely contingent fee basis with no promise of any reward.

Class Counsel are highly experienced in this area of practice and have a well-respected reputation in the data privacy litigation sector. (Joint Fee Decl., ¶ 17). Class Counsel worked hard and at great risk on behalf of the Settlement Class to obtain information from Defendant regarding the Data Security Incident and utilized their experience and the knowledge gained from other data breach class actions to negotiate a favorable Settlement. (*Id.* ¶¶ 17–19). Therefore, this factor also weighs in favor of the fee request.

iii. Factor 3: Risk of Nonpayment.

“[D]ata breach class actions are risky cases.” *In re Fortra File Transfer Software Data Sec. Breach Litig.*, 2025 U.S. Dist. LEXIS 182685, at *47 (citation omitted). Class Counsel assumed significant risk of nonpayment or underpayment of their attorneys’ fees by pursuing this case. (Joint Fee Decl., ¶ 16). Class Counsel took this case on a purely contingent basis with the understanding that they would only be compensated if there was a recovery for Plaintiffs, and Court approval of the requested fees. (*Id.* ¶ 14). This litigation began in 2025 and required the devotion of substantial time, totaling over 1,000 hours to date. (*Id.* ¶ 23). This case, as with most class action lawsuits, required a significant commitment of time and resources by Class Counsel.

(*Id.* ¶¶ 13, 15). This time could have been devoted to other fee generating matters of lesser risk and complexity. As such, neither compensation for their time nor reimbursement of their costs were guaranteed to Class Counsel. (*Id.* ¶ 14).

The risk of non-payment is especially prevalent in data breach cases. Many data breach cases are dismissed in their entirety at the motion to dismiss stage providing no relief for the class and no payment for class counsel. *See, e.g., Burger v. Healthcare Mgmt. Sols., LLC*, No. RDB-23-1215, 2024 U.S. Dist. LEXIS 21107 (D. Md. Feb. 7, 2024) (dismissing data breach case for lack of standing and for failure to state a claim); *Stamat v. Grandizio Wilkins Little & Matthews, LLP*, No. SAG-22-00747, 2022 U.S. Dist. LEXIS 158224 (D. Md. Aug. 31, 2022) (similar). It is evident from the case law above that by undertaking this case, Class Counsel ran a significant risk of non-payment. As such, this factor militates in favor of approval of the requested fee.

iv. Factor 4: Objections From Settlement Class Members.

To date, *no* Settlement Class Member has objected to the Settlement or Class Counsel’s requested fee, which was clearly noted in the Notice sent to Settlement Class members. (*See* Joint Fee Decl., ¶ 27). “The attitude of the members of the class, as expressed directly or by failure to object, after notice, to the settlement, is a proper consideration for the trial court, though ‘a settlement is not unfair or unreasonable simply because a large number of class members oppose it.’” *Flinn v. FMC Corp.*, 528 F.2d 1169, 1173 (4th Cir. 1975); *see also Berry v. Schulman*, 807 F.3d 600, 618–19 (4th Cir. 2015) (affirming fee in part because of the almost complete lack of objections). Although, Settlement Class Members have until June 9, 2026, to object to the Settlement, the lack of any objections so far plainly supports approval of the requested fee.

v. Factor 5: Awards in Similar Cases.

The attorneys’ fees awarded in similar cases also support the requested fee. “[E]mpirical

studies show that, regardless of whether the percentage method or the lodestar method is used, fee awards in the class actions average around one-third of the recovery.” 4 *Newberg on Class Actions* § 14:6 (4th ed.). “A request for one-third of a settlement fund is common in this circuit and generally considered reasonable.” *Starr v. Credible Behavioral Health, Inc.*, No. 20-2986 PJM, 2021 U.S. Dist. LEXIS 99783, at *15 (D. Md. May 25, 2021) (citation omitted); *see also Foster et al. v. Lower, LLC*, No. 1:22-cv-01581-GLR, ECF No. 47 (D. Md.) (Russell, C.J. awarding one-third of the common fund in attorneys’ fees plus expenses in similar data breach class action); *In re MedStar Health Data Security Incident*, No. 1:24-cv-01335, ECF Nos. 36 and 40 (D. Md. Nov. 4, 2025) (approving fee request of one-third of the settlement fund in a similar data breach case); *In re AACOM Data Breach Litigation*, No. 8:25-cv-01239-DLB, ECF Nos. 36 and 41 (D. Md. Mar. 27, 2026) (awarding fees of one-third of common fund in data breach case); *In re Golden Corral Data Breach Litig.*, No. 5:24-CV-00123-M-BM, 2025 U.S. Dist. LEXIS 96017, at *14 (E.D.N.C. May 19, 2025) (awarding one-third of the settlement fund in a similar data breach case); *In re Novant Health, Inc.*, 2024 U.S. Dist. LEXIS 107949, at *30 (M.D.N.C. June 17, 2024) (“Courts in the Fourth Circuit have found awards of approximately one-third of the class fund to be reasonable.”); *Wegner v. Carahsoft Tech. Corp.*, No. PJM 20-00305, 2022 U.S. Dist. LEXIS 18847, at *13 (D. Md. Feb. 1, 2022) (“A request for one-third of a settlement fund is common in this circuit and generally considered reasonable.” (citation omitted)); *Boger v. Citrix Sys., Inc.*, No. 19-cv-01234-LKG, 2023 U.S. Dist. LEXIS 96379, at *32 (D. Md. June 1, 2023) (same). Consistent with the cases cited above, Class Counsel’s request for one-third of the Settlement Fund is reasonable, customary, and should be approved.

vi. Factor 6: Case Complexity and Duration.

This matter involved substantial risk and Plaintiffs faced formidable hurdles if the litigation

were to proceed. (Joint Fee Decl., ¶¶ 19–20). “[M]any courts have already recognized[] data breach litigation is long, complicated and expensive.” *In re HealthEC LLC Data Breach Litig.*, No. 2:24-cv-26 (SDA), 2025 U.S. Dist. LEXIS 107723, at *26–27 (D.N.J. June 6, 2025). A settlement achieved “relatively early in the litigation, avoids delay, risk and expense, and affords class members real relief.” *Id.*

Among many considerable risks, Plaintiffs faced the risk of not surviving summary judgment or securing class certification—both of which have been historically difficult to achieve in data breach cases. *See, e.g., Smith v. Apria Healthcare LLC*, No. 1:23-cv-01003-JPH-KMB, 2025 U.S. Dist. LEXIS 225320, at *19 (S.D. Ind. Nov. 17, 2025) (noting courts have not settled on whether plaintiffs can certify classes or survive summary judgment in data breach cases); *In re Hannaford Bros. Co. Customer Data Sec. Breach Litig.*, 293 F.R.D. 21 (D. Me. 2013) (denying class certification in data breach class action); *Gaston v. Fabfitfun, Inc.*, No. 2:20-cv-09534-RGK-E, 2021 U.S. Dist. LEXIS 250695, at *6 (C.D. Cal. Dec. 9, 2021) (“Historically, data breach cases have experienced minimal success in moving for class certification.”) (citation omitted); *In re Blackbaud, Inc., Customer Data Breach Litig.*, No. 3:20-mn-02972-JFA, 2024 U.S. Dist. LEXIS 86740 (D.S.C. May 14, 2024) (denying motion for class certification in data breach case); *see also In re Blackbaud, Inc., Customer Data Breach Litig.*, No. 3:20-mn-02972-JFA, 2024 U.S. Dist. LEXIS 234064 (D.S.C. Dec. 30, 2024) (denying motion for leave to file a renewed class certification motion).

While Plaintiffs firmly believe in the merits of their claims, Plaintiffs and their counsel recognize that establishing causation and damages in the evolving field of data breach litigation is challenging and far from certain. *See, e.g., Hashemi v. Bosley, Inc.*, No. CV 21-946 PSG (RAOx), 2022 U.S. Dist. LEXIS 210946, at *9 (C.D. Cal. Nov. 21, 2022) (explaining that data breach class

actions are a relatively new type of litigation and that damages methodologies in data breach cases are largely untested and have yet to be presented to a jury). Continued litigation would entail prevailing on a motion to dismiss, formal discovery, depositions, expert reports, maintaining class certification through trial, summary judgment, and potential appeals—both interlocutory and post-judgment—each requiring additional briefing and carrying the risk of no recovery. (See Joint Fee Decl., ¶ 20). In contrast, the Settlement ensures meaningful relief for the Settlement Class, which prolonged litigation could not guarantee. In sum, the complexity of the litigation and the exceptional quality of Class Counsel’s work strongly support the requested fee.

vii. Factor 7: Public Policy.

“Public policy counsels in favor of a significant fee award. The class action device, when not abused, serves an important public interest in securing remedies for consumers who, for economic and practical reasons, would be unable to recover on an individual basis.... Accordingly, this class action serves the public interest.” *In re Capital One Consumer Data SEC Breach Litig.*, 2022 U.S. Dist. LEXIS 213070, at *11–12 (E.D. Va. Nov. 17, 2022). As one court in this District has observed, “public policy favors the requested award [where risk of nonpayment exists] because the relevant public policy considerations involve the balancing of the policy goals of encouraging counsel to pursue meritorious . . . litigation.” *Decohen v. Abbasi, LLC*, 299 F.R.D. 469, 482 (D. Md. 2014) (citation and internal quotations omitted). The same considerations apply here, as demonstrated by Class Counsel’s exceptional work on behalf of the Settlement Class. Thus, this factor also weighs in favor of the requested fee.

B. A Lodestar Cross-Check Confirms the Reasonableness of Settlement Class Counsel’s Request.

Although a lodestar cross-check is not required when the percentage-of-recovery method is used, see *Manuel v. Wells Fargo Bank, Nat’l Ass’n*, No. 3:14cv238 (DJN), 2016 U.S. Dist.

LEXIS 33708, at *14 (E.D. Va. Mar. 15, 2016) (“The Court’s preference for the percentage method, in addition to the absence of any objection to the fee award, obviates the need for an exhaustive review of each of the twelve lodestar factors.”),⁵ courts that do conduct them “have generally held that lodestar multipliers falling between 2 and 4.5 demonstrate a reasonable attorneys’ fee.” *Singleton*, 976 F. Supp. 2d at 689 (citation omitted); *see also Decohen*, 299 F.R.D. at 483 (awarding multiplier of 3.9); *In re Royal Ahold N.V. Sec. & ERISA Litig.*, 461 F. Supp. 2d 383, 385 (D. Md. 2006) (awarding “a fee of \$130,647,868.95, which . . . represents a 2.57 multiplier[.]”).

Class Counsel and additional Plaintiffs’ counsel have dedicated over 1,000 hours to this case and have incurred \$813,116.85 in lodestar to date to obtain the excellent recovery achieved here. (Joint Fee Decl., ¶ 23). This results in a *negative* lodestar multiplier of 0.98. (*Id.*). Considering the significant benefit conferred to the Settlement Class, as well as the negative lodestar multiplier incurred, Class Counsel’s requested fees are reasonable and should be awarded as requested.

IV. CLASS COUNSEL’S COSTS AND EXPENSES ARE REASONABLE AND SHOULD BE REIMBURSED

Under Rule 23(h), a trial court may award nontaxable costs that are authorized by law or the parties’ agreement. Fed. R. Civ. P. 23(h). “Reimbursement of reasonable costs and expenses to counsel who create a common fund is both necessary and routine.” *Savani v. URS Prof’l Solutions*

⁵ The 12 factors from *Barber v. Kimbrell’s, Inc.*, 577 F.2d 216, 226 n. 28 (4th Cir. 1978), largely mirror those considered when assessing the reasonableness of a fee calculated using the percentage-of-recovery method and include the following: (1) time and labor expended; (2) novelty and difficulty of the questions raised; (3) skill required to properly perform the legal services; (4) attorney’s opportunity costs in pressing the litigation; (5) customary fee for like work; (6) attorney’s expectations at the outset of litigation; (7) time limitations imposed by the client or circumstances; (8) amount in controversy and results obtained; (9) experience, reputation, and ability of the attorney; (10) undesirability of the case within the legal community in which the suit arose; (11) nature and length of the professional relationship between the attorney and client; (12) fee awards in similar cases.

LLC, 121 F. Supp. 3d 564, 576 (D.S.C. 2015). “The prevailing view is that expenses are awarded in addition to the fee percentage.” *Kelly v. Johns Hopkins Univ.*, No. 1:16-cv-2835-GLR, 2020 U.S. Dist. LEXIS 14772, at *20 (D. Md. Jan. 28, 2020) (citations and quotation marks omitted). “Reimbursable expenses include court costs, transcripts, travel, contractual personnel, document duplication, expert witness fees, photocopying, long distance telephone charges, postal fees, and expert witness fees.” *Id.* at 21.

Class Counsel seek reimbursement of their reasonable litigation expenses in the amount of \$25,226.98. (See Joint Fee Decl., ¶ 28). These unreimbursed litigation expenses include costs associated with research, mediation, and filing fees. (*Id.*). These costs also reflect typical expenses of the type ordinarily passed on to fee-paying clients in a general legal practice and are also typically recoverable in a specialized complex class action practice as they are necessary and reasonable to prosecuting a class action. (*Id.*). Class Counsel’s expenses for which reimbursement is sought, and which Defendant has agreed to pay, were calculated from receipts, expense vouchers, check records and other documents maintained by Class Counsel and additional Plaintiffs’ counsel. (*Id.* ¶ 29). Thus, reimbursement of these reasonable and necessary litigation costs and expenses is warranted.

IV. PLAINTIFFS’ REQUEST FOR SERVICE AWARDS IS REASONABLE

Lastly, Class Counsel seeks Service Awards of \$1,500.00 for each Class Representative (\$33,000.00 in total). “Incentive awards are intended to compensate class representatives for work done on behalf of the class, to make up for financial or reputational risk undertaken in bringing the action, and, sometimes, to recognize their willingness to act as a private attorney general.” *Berry v. Schulman*, 807 F.3d 600, 613 (4th Cir. 2015) (internal quotation marks and citation omitted).

Here, the Class Representatives devoted substantial effort on behalf of the Class, including: (i) completing detailed questionnaires; (ii) providing counsel with critical information to support their claims; (iii) gathering documents and other evidence relevant to the litigation; (iv) agreeing to participate in potentially invasive and time-consuming discovery, including depositions, if required; (v) reviewing pleadings and coordinating with counsel on case strategy and status; (vi) conferring with counsel regarding settlement negotiations; and (vii) carefully considering and approving the Settlement terms on behalf of the Class. (Joint Fee Decl., ¶ 105). Their dedication to the interests of the Settlement Class and their commitment to securing meaningful relief warrant recognition through the requested Service Awards, which are routinely approved in data breach litigation of this nature. *See, e.g., In re Retina Grp. of Wash. Data Sec. Incident Litig.*, No. DKC 24-0004, 2025 U.S. Dist. LEXIS 139159, at *41–42 (D. Md. July 21, 2025) (approving service awards of \$2,000.00 per plaintiff in data breach case); *Brent v. Advanced Med. Mgmt., LLC*, No. JKB-23-3254, 2024 U.S. Dist. LEXIS 227423, at *26–27, *35–36 (D. Md. Dec. 13, 2024) (approving service awards of \$2,500.00 per plaintiff in data breach case where plaintiffs reviewed pleadings, stayed apprised of the litigation, and reviewed the settlement terms); *In re MedStar Health Data Security Incident*, No. 1:24-cv-01335, ECF No. 40 (D. Md. Nov. 4, 2025) (approving service awards of \$2,500.00 per plaintiff in data breach class action). As such, the requested Service Awards should be approved. (Joint Fee Decl., ¶ 106).

V. CONCLUSION

For the above reasons, Plaintiffs respectfully request that the Court enter an Order: (i) awarding \$800,000.00 (one-third of the Settlement Fund) to Class Counsel in attorneys' fees; (ii) reimbursing litigation expenses of \$25,226.98; and (iii) awarding Service Awards in the amount

of \$1,500.00 to each Class Representative (a combined total of \$33,000.00).⁶

Dated: May 19, 2026

Respectfully submitted,

/s/ James P. Ulwick

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⁶ Plaintiffs will submit a Proposed Order with their forthcoming Motion for Final Approval of Class Action Settlement (to be filed on or before June 1, 2026, pursuant to the Preliminary Approval Order).

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CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that the foregoing document and its exhibits were filed using the Court's CM/ECF system, which will provide notice of the same to all counsel of record.

Dated: May 19, 2026

/s/ James P. Ulwick