## UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF MISSOURI

KEVIN WEBER, on behalf of himself individually and on behalf of all others similarly situated,

Plaintiff,

v.

Case No. 4:24-cv-00162-FJG

NATIONAL ADVISORS TRUST COMPANY, NATIONAL ADVISORS TRUST OF SOUTH DAKOTA INC., and NAH SIDECAR I, LLC d/b/a NATIONAL ADVISORS CONCIERGE SERVICES, all d/b/a NATIONAL ADVISORS TRUST

Defendants.

## DECLARATION OF J. GERARD STRANCH, IV IN SUPPORT OF PLAINTIFFS' MOTION FOR ATTORNEYS' FEES AND FEES AND PLAINTIFF'S SERVICE <u>AWARD</u>

I, J. Gerard Stranch, IV, declare as follows:

1. I am the Managing Partner of Stranch, Jennings & Garvey, PLLC ("Stranch Firm" or "SJG"), formerly known as Branstetter, Stranch & Jennings, PLLC. I am an active member in good standing of the State Bar of Tennessee and submit this Declaration in Support of Plaintiffs' Motion for Attorneys' Fees and Expenses and Class Representatives' Service Awards. I have personal knowledge of the facts set forth herein based on my active supervision of, and participation in, the prosecution and settlement of the claims asserted in this action and, if called upon, could and would testify thereto.

2. I have been involved in this matter since before the complaint was filed. Before taking this case on a contingency fee basis, I have thoroughly investigated the bases for the claims presented, including through case law and statutory research, investigations with potential named

plaintiffs, strategic discussions with my team and co-counsel, and reviews of all information available in the public domain regarding Defendants' data breach, including press releases notifications, and news articles.

3. The information gleaned from our investigation allowed my team and I, along with co-counsel, to assess the strengths and weaknesses of this action, to analyze potential damages models, and informed our decision to negotiate with opposing counsel for an early resolution of this matter in the belief that such an early resolution would serve the class more than prolonged and risky litigation.

4. Class Counsel, including myself and my firm, possess significant experience in consumer class action litigation, including numerous data breach matters across the country. Recent data breach settlements from this year include *Molinari v. Welfare & Pension Admin. Servs., Inc.*, No. 22-2-04023-8 SEA (Super. Ct. King Cty., Washington); *In re Goodman Campbell Brain & Spine Data Inc. Litig.*, No. 49D01-2207-PL-024807 (Super. Ct. Marion Cty., Indiana); *Castaneda v. Ardagh Glass, Inc.*, No. 1:23-cv-02214 (S.D. Ind.); *Covington v. Gifted Nurses, LLC*, No. 1:22-cv-04000 (N.D. Ga.); *In re CorrectCare Data Breach Litig.*, No. 5:22-cv-319 (E.D. Ky.); *Lytle v. Revance Therapeutics*, No. 23C1897 (Cir. Ct. Davidson Cty., Tennessee); *Weigand v. Group 1001 Ins. Holding, LLC*, No. 1:23-cv-01452 (S.D. Ind.); *Cain v. CGM, LLC*, No. 1:23-cv-02604 (N.D. Ga.); *Grissett v. Tallahassee Mem. Healthcare*, No. 2023 CA 001430 (Dist. Ct. Leon Cty., Florida). For more detail, see the Stranch, Jennings & Garvey, PLLC Data Breach and Class Action Brochures, which are attached hereto as **Exhibit 1**.

5. Notwithstanding that Class Counsel and Plaintiff believe strongly in the merits of this action, they recognize the risky and expenses of prolonged litigation in a highly risky, novel, and evolving area of law. Thus, Counsel determined that mediation was appropriate. Indeed, Class

Counsel would ultimately face a risky class certification motion (though several courts have certified data breach classes), a certain motion for summary judgment, and a lengthy appeals process, in addition to the significant costs to litigate and fund expert costs.

6. On July 19, 2024, the Parties conducted a mediation with the Honorable Charles Atwell (ret.). The mediation was ultimately unsuccessful, but the Parties continued negotiation over the next couple of months. Those negotiations culminated in the Settlement before the Court here.

7. Because the harm done to Plaintiff and the Class is in the form of identity and credit theft or fraud, especially the increased risk of such theft and fraud that Plaintiff and the Class now face, Class Counsel negotiated a settlement that allows Plaintiff and the Class access to three years identity theft protection services now, without waiting years for the litigation to conclude. Settlement Agreement, ¶ 59. Moreover, the Settlement provides Class Members with the ability to claim documented monetary losses up to \$5,000 per person, as well as cash payments which will be increased on a pro rata basis to exhaust the Settlement Fund. *Id*.

8. I have reviewed the billing records in this case and Class Counsel has incurred unreimbursed expenses in this class action totaling \$4,321.37. These expenses were in the form of filing fees, document fees, service fees, and Class Counsel's portion of mediation expenses.

9. According to the records Class Counsel was sent from the Settlement Administrator, the total class size was 14,328.

10. Class Representative Kevin Weber has conferred with Class Counsel, meaningfully participated in the investigation of claims, and has always been available when needed to assist Counsel in prosecuting this action on behalf of the Class. Moreover, he has been willing to put his names in the public domain notwithstanding the potential social impact of participating in

litigation.

11. Given the exposure and efforts, Class Counsel negotiated a Service Award of \$2,500 for the Class Representative, which is reasonable considering Class Counsel's experience in negotiating similar Settlement Agreements, which often include Service Awards between \$1,000 and \$4,000.

12. A.B. Data estimated the costs of settlement administration to be \$39,864 before preliminary approval agreed that the total costs will not exceed \$42,000.

13. In addition to credit monitoring and identity theft protection services for the Class, Defendants have agreed to undertake certain business practice changes that will benefit the Class by helping to ensure their data is more secure from future cyberattacks. The costs for these cybersecurity enhancements were paid separate from the other class benefits and are estimated at about \$250,000. Class Counsel believes these benefits are in line with other settlement agreements that Class Counsel has negotiated and otherwise seen in their respective experience in data breach matters.

14. Class Counsel and Defendant's counsel are experienced litigators and negotiations in this matter were at arms' length. There was no collusion among counsel between the Parties in this matter and no evidence to the contrary has been, or could be, presented. Indeed, negotiating the resolution of this Action required almost a year of hard-fought negotiations.

15. Class Counsel has spent considerable time and effort on this matter that would otherwise have been dedicated to other fee-generating matters. Class Counsel took this case on a purely contingent basis.

16. Data breach litigation is inherently risky, complex, and expensive. Experts are required to litigate these actions, and they often cost at least \$600 per hour. Moreover, judges often

come to inconsistent decisions on the same or similar set of facts, leading to complicated and unpredictable results.

17. When considering the value of the business practice changes and the total settlement fund, the total value of the Settlement to Class Members is \$900,000, so Class Counsel's fee request of one-third of the monetary benefits equates to only 24.1% of total value of the settlement.

18. Indeed, Counsel's fee request here is easily commensurate with similar data breach class actions. Considering the value of the noneconomic relief to the Class, the percentage requested here is less than in many data breach class actions.

I declare, under penalty of perjury, that the foregoing is true and correct. Executed this 28th day of April, 2025, in Nashville, Tennessee.

/s/ J. Gerard Stranch, IV J. Gerard Stranch, IV (BPR 23045)