IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

FRED HANEY, MARSHA MERRILL, SYLVIA RAUSCH, STEPHEN SWENSON, and ALAN WOOTEN, individually, and on behalf of all others similarly situated,

Plaintiffs,

v.

GENWORTH LIFE INSURANCE COMPANY and GENWORTH LIFE INSURANCE COMPANY OF NEW YORK,

Defendants.

Civil Action No.: 3:22-cv-00055-REP

MEMORANDUM OF LAW IN SUPPORT OF PLAINTIFFS' MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT

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Pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, Plaintiffs Fred Haney, Marsha Merrill, Sylvia Rausch, Stephen Swenson, and Alan Wooten, on behalf of themselves and the Class, respectfully submit this memorandum in support of their motion for final approval of this class action settlement (the "Settlement").[1]

I. INTRODUCTION

The Settlement is an excellent result for the Class and represents considerable financial and injunctive relief for the claims asserted. As the Court is well aware, this case did not (and could not) challenge Genworth's long-term care ("LTC") rate increases themselves. Rather, this case sought to address claimed harm to the Class allegedly caused by Genworth's lack of adequate disclosures regarding its plans for future rate increases, its dependence on obtaining those rate increases to pay future claims, and the impact this need for future rate increases has had on its financial rating.

As alleged in Plaintiffs' Class Action Complaint:

> Since 2013, Genworth has steadily and substantially increased the premiums on these policies. To be clear, this case does not challenge Genworth's contractual right to increase these premiums, or its need for premium increases given changes in certain of Genworth's actuarial assumptions and the historical experience of this policy block. Nor does this case ask the Court to reconstitute any of the premium rates or otherwise substitute its judgment for that of any insurance regulator in approving the increased rates. Rather, this case seeks to remedy the harm caused to Plaintiffs and the Class from Genworth's partial disclosures of material information when communicating the premium increases, and the omission of material information necessary to make those partial disclosures adequate.

See Class Action Complaint, filed January 28, 2022, ECF No. 1 ¶3 (hereinafter "Complaint").

[1] The Settlement is reflected in the Amended Joint Stipulation of Class Action Settlement and Release. ECF No. 33-1, attached again as Exhibit B to the Declaration of Brian D. Penny in Support of in support of (1) Plaintiffs' Motion for Final Approval of Class Action Settlement and (2) Class Counsel's Motion for an Award of Attorneys' Fees and Expenses and Service Awards to the Named Plaintiffs ("Penny Decl."). All capitalized terms used herein are defined in the Settlement, unless otherwise stated.

This Settlement directly addresses that alleged harm by providing Class Members with additional Disclosures about future rate increases, and then allowing them options based on those Disclosures. Every Class Member has the ability to maintain their current benefits if they want to do so in light of the future costs of those premiums. Every Class Member also has options to restructure their benefits and premiums in light of the Disclosures, if they so wish. Every Class Member, regardless of what election they may make, will receive the additional Disclosures, including information about Genworth's current financial condition and its plans to request future premium rate increases. In addition, every Class Member that elects one of the Settlement Election Options to restructure their Class Policy will either be paid cash damages of between $1,000 and $10,000 or will obtain valuable enhanced paid-up benefits, depending on the options they each elect.

Based on the over 350,000 members of the Class and historical evidence of policyholder elections following rate increase notices from Genworth, and by reference to the to-date experience of the election of special election options in the *Skochin v. Genworth* class action settlement,[2] Plaintiffs anticipate that the Class will receive substantial financial payments. While Plaintiffs do not (and cannot) know exactly what Special Election Options the Class Members may elect, if Class Members make elections at a rate similar to the current rate in the *Skochin* settlement (or even at approximately one-third (1/3) of that rate), Class Counsel conservatively estimates that Class Members in this case would receive cash payments totaling between $224 million (at a 10% claim rate) and $ 609 million (at a 30% claim rate, just above the current *Skochin* rate of 28%)—in addition to the valuable Disclosures and ability to make Special Election Options themselves. *See* Penny Decl. ¶ 14.

[2] *Skochin v. Genworth Life Ins. Co.*, 2020 WL 6697418 (E.D.Va. Nov. 12, 2020) ("*Skochin*").

This Settlement is also eminently fair to all Class Members, as it offers each of them detailed information regarding Genworth's plans to seek future rate increases on their policies, and then offers them a chance to immediately use that new information by providing them with a menu of options to reduce their current coverage that will lower or eliminate their premiums and also provide cash damages payments or enhanced paid-up benefits. This relief tracks Plaintiffs' fraudulent omission claims, which averred that the statements Genworth "did make about the likelihood or possibility of future rate increases were not adequate, omitted material information necessary to make the partial disclosures adequate, and resulted in the Class Members making policy renewal elections they never would have made." *See* Complaint, ECF No. 1 ¶20. Class Members who select reduced benefit/reduced premium options in the Settlement will receive $6,000 or $1,000 in cash damages, depending on the option. For those who decide to select a paid-up policy having not done so years earlier, the Settlement offers either a $10,000 cash payment or enhanced paid-up benefits equal to 150% of the value of those paid-up policies. The opportunity to make these Special Elections, the additional Disclosures, and the enhanced paid-up benefits and available financial damages obtained here thus represent a substantial recovery for the alleged lack of disclosures Plaintiffs claimed in this Action.

In structuring this Settlement, the Parties agreed to specific cash damages payments (of $1,000, $6,000, or $10,000, depending on the option selected) for the Special Election Options offered in the Settlement. This differs from the calculation of cash damages payments in *Skochin* and *Halcom*, which were calculated by multiplying the difference in a policyholder's "old" and "new" premiums by a factor of four. In making this change, the Parties addressed two issues simultaneously. First, having a specified cash damages amount allowed the Parties to convey the actual payment amounts to Class Members at the time of Class Notice, so Class Members knew the magnitude of the payments before deciding whether to opt-out or object to the Settlement.

While the prior approach was certainly adequate under the circumstances, Class Counsel believes this additional clarity of the Settlement's benefits is an improvement on the prior settlement structures. Second, these defined cash payment amounts will streamline the administration of the Settlement, as well as the auditing of the Settlement's administration for this much larger Class, which has as many members as the *Skochin* and *Halcom* classes combined.

This recovery was obtained only after extensive discovery conducted by sophisticated parties and experienced counsel. The Parties and Class Counsel negotiated the Settlement over several in-person mediation sessions and only after several months of focused and expedited pre-Complaint discovery efforts. With a quickly developing factual record, Class Counsel was able to evaluate the merits of Plaintiffs' claims, including the risks to recovery. Following the filing of the Complaint, Class Counsel conducted extensive additional discovery, including the collection and review of hundreds of thousands of pages of documents obtained from Genworth, and the completion of interviews of key Genworth representatives.

To reach the Settlement, the Parties engaged in extensive, arm's-length negotiations overseen by experienced mediator Rodney A. Max of Upchurch, Watson, White & Max Mediation Group, Inc. *See* Declaration of Rodney A. Max ("Max Decl."), ECF No.28-2. These negotiations included several in-person mediation sessions and substantial informational exchanges and discussions. The result is this Settlement, unhesitatingly approved by Mr. Max and conditionally approved by the Court, which represents a significant recovery for the Class. *Id.* ¶¶11-24.

Plaintiffs and Class Counsel also fully approve of the Settlement. Class Counsel have extensive experience in complex insurance and consumer class actions and are recognized as leading lawyers in the field. *See Skochin*, 2020 WL 6697418, at *3. Plaintiffs retained these attorneys specifically because of their class action expertise and track record of consumer protection. In accepting the Settlement, Plaintiffs and their Counsel understood that there were

serious risks to continued litigation. At class certification, Plaintiffs would have had the burden of demonstrating that their fraud-by-omission and declaratory relief claims satisfied the rigorous requirements of Rule 23 and should be certified for litigation purposes. At trial, Plaintiffs would have had the burden of proving each of the elements of their fraud claims in a case that centers on intricate insurance principles, over Genworth's defenses. As explained in more detail below (*see* section IV.C.1), there are differences in the way that Genworth increased rates for the Class Policies compared to the policies at issue in *Skochin* and *Halcom* that would likely have made proof of Plaintiffs' claims far more challenging in this case. Moreover, Genworth would have raised, and potentially appealed, the filed-rate doctrine as a defense. Trial and appeal would have been expensive and time-consuming, a particularly critical factor considering the nature of the Class, the relief sought, and the benefits obtained in the Settlement. While both sides strongly believe that they could have prevailed at trial, there was considerable risk to each of them.

The Settlement is fair, reasonable, and adequate, and is in the best interests of the Class. Plaintiffs respectfully request the Court grant final approval of the Settlement.

II. PROCEDURAL HISTORY OF THE LITIGATION

On August 11, 2021, counsel for Plaintiffs provided pre-suit notice of this Action to Genworth, alleging a course of conduct similar to that alleged in the *Skochin* and *Halcom* cases but on behalf of a different class of policyholders. Declaration of Brian D. Penny in Support of Plaintiffs' Motion to Direct Notice of Proposed Settlement to the Class ("Penny Notice Decl."), ECF No. 28 ¶3. With that pre-suit notice, Plaintiffs' counsel also provided a draft complaint specifying their allegations.

Thereafter, counsel for the Parties engaged in extensive discussions regarding the potential claims and defenses as well as whether there was mutual interest in exploring pre-suit settlement negotiations. *Id.* The Parties jointly contacted mediator Rodney Max, who was already

substantially familiar with Genworth and the Parties' counsel, having mediated both the *Skochin* and *Halcom* settlement negotiations. On November 8, 2021, Mr. Max convened a mediation session with the Parties at the law offices of Dentons US LLP ("Dentons") (counsel for Genworth) in New York City. *Id.* ¶4.

Prior to this mediation session, Plaintiffs propounded numerous written questions and requests for documents and information relevant to their claims, Genworth's defenses, and the composition of the purported Class. During the first full-day mediation session, the Parties worked with Mr. Max productively exchanging information and sharing competing views about the merits of Plaintiffs' class claims and Genworth's defenses. At the conclusion of that session, the Parties agreed to exchange additional information and documents and, considering the progress made, to reconvene for an additional mediation session, which they scheduled for January 2022. Thereafter, Genworth provided further responses to Plaintiffs' requests for information and documents, and Plaintiffs reviewed those responses and documents prior to the next mediation session. *Id.* ¶5.

On January 14 and 15, 2022, the Parties and Mr. Max re-convened at Mr. Max's offices in Miami, Florida, and spent two full days negotiating the material terms of a proposed Settlement. The Parties concluded the second day of mediation by executing a Memorandum of Understanding ("MOU") setting forth the material terms of an agreement-in-principle to be incorporated into a formal settlement agreement for the Court's approval. *Id.* ¶6.

On January 28, 2022, Plaintiffs filed their Complaint on behalf of themselves, and on behalf of:

> All persons residing in the United States who have Choice 2, Choice 2.1, California CADE, California Reprice, or California Unbundled policies, and State variations of those policies issued in any of the fifty (50) States of the United States or the District of Columbia during the Class Period (the "Class").

ECF No. 1 ¶170.

The Complaint asserted two claims against Genworth. Count 1 alleged fraudulent inducement by omission, based on alleged misrepresentations and failure to disclose material information in the premium rate increase letters sent for certain LTC insurance policies. *Id.* ¶¶186-203. Count 2 sought declaratory relief under 28 U.S.C. §2201 regarding whether Genworth had a duty to disclose certain information. *Id.* ¶¶ 204-207.

Contemporaneously, the Parties filed a Joint Motion for Entry of Scheduling Order, in which they notified the Court of their agreement and of the MOU and proposed a schedule for seeking Court approval of the Settlement. ECF No. 9. The Court granted the motion and ordered Plaintiffs to file a Motion to Notice the Class pursuant to Rule 23(e)(1), and to provide an executed settlement agreement to the Court by April 1, 2022. ECF No. 12.

Genworth filed an Answer on February 28, 2022.[3] ECF No. 24. In its Answer, Genworth denied that Plaintiffs were entitled to any of the relief sought in the Complaint and asserted numerous affirmative defenses. *Id.*

In the meantime, the Parties engaged in written confirmatory discovery, including serving requests for production of documents and interrogatories. The Parties timely responded and objected to each, and their counsel met and conferred regarding the scope of the discovery requests. With respect to Genworth's document production, counsel for the Parties negotiated stipulations concerning the collection and production of electronically stored information and confidentiality, as well as agreements regarding the use of discovery originally produced in *Skochin* and *Halcom*. In total, the Parties have exchanged more than 54,000 documents, consisting of well over 300,000

[3] While Genworth did not file a motion to dismiss Plaintiffs' Complaint, the Parties were aware of this Court's prior rulings in *Skochin* on a vigorously contested motion to dismiss involving similar claims and issues. *See generally Skochin v. Genworth Life Ins. Co.*, 413 F. Supp. 3d 473 (E.D. Va. 2019) (Payne, J.) (ruling on a motion to dismiss following full briefing and two days of oral argument on the issue).

pages. Penny Notice Decl., ECF No. 28 ¶10. Additionally, on March 22-23, 2022, Class Counsel conducted detailed interviews of Genworth employees involved in Genworth's rate increase decisions and communications with Policyholders. *Id.*

While this discovery was ongoing, the Parties negotiated the Settlement Agreement. After confirmatory discovery was complete and both Parties had confirmed that in light of the facts and law relevant to this case the Settlement Agreement provided fair, adequate and appropriate relief, the Parties signed the Settlement Agreement. *Id.* ¶11.

On May 2, 2022, following a hearing, the Court granted conditional approval of the Settlement and set forth a schedule of deadlines for, *inter alia*, Class Notice, objections and opt-outs, final approval briefing, and the final approval hearing. *See* ECF No. 31 ¶28 ("Preliminary Approval Order"). On July 6, 2022, the Parties entered into an Amended Settlement Agreement with revisions to the Release, a corresponding updated Class Notice, and other non-material changes. ECF No. 33-1. The same day, the Parties filed a Joint Stipulation of Amended Settlement Agreement informing the Court of the Amended Settlement Agreement. ECF No. 33. On July 7, 2022, the Court ordered the initial Settlement Agreement superseded and replaced by the Amended Settlement Agreement, applied its reasoning from the May 2, 2022 Preliminary Approval Order to the Amended Settlement Agreement, and directed Class Notice. ECF No. 34.

III. PLAINTIFFS HAVE PROVIDED NOTICE TO THE CLASS IN COMPLIANCE WITH RULE 23 AND DUE PROCESS

In granting conditional approval of the Settlement, the Court appointed Epiq Class Action & Claims Solutions, Inc. as the Settlement Administrator (the "Administrator") to fulfill the duties set forth in the Settlement Agreement and approved Plaintiffs' proposed forms of Class Notice as well as their plan for mailing and publicizing the Class Notice, which includes all the information required by Rule 23. *See* ECF No. 31, ¶¶ 14-19. Under the Court's Order, and in compliance with

Rule 23, the Class was provided "the best notice that is practicable under the circumstances." FED. R. CIV. P. 23(c)(2)(B).[4]

As detailed in the accompanying declaration of the Administrator, the Administrator reviewed the Class Member mailing list sent to it by Genworth, removed duplicate entries and updated addresses where necessary. Commencing on August 1, 2022, the Administrator mailed the Class Notice package directly to 352,146 potential Class Members. *See* Declaration of Cameron R. Azari, Esq. on Implementation of Settlement Notice Plan ("Azari Decl.") ¶14. For any mailings returned as undeliverable, the Administrator has "skip-traced" those addresses to update them and re-mailed the Class Notice package. The Administrator has re-mailed three such Class Notice packages. *Id.* ¶16. The Administrator has also mailed a Class Notice package to anyone that has requested one via the toll-free telephone number, mail, or email. As of September 14, 2022, the Administrator has mailed 29 such additional Class Notice packages. *Id*. at ¶17. Based on these mailings and remailings to date, the Administrator estimates that Class Notice directly reached (by mail) at least 95% of Class Members (and likely higher). *Id.* ¶26.[5]

On August 1, 2022, the Administrator also established the settlement website (www.choice2longtermcareinsurancesettlement.com), where copies of the Class Notice, operative Complaint, Joint Stipulation of Class Action Settlement and Release (i.e., the Settlement Agreement) and exhibits, and the Court's Order Granting Preliminary Approval of Settlement and Directing Notice to the Class are posted and available for download. *Id.* ¶20. As of September

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[4] Citations, internal quotations, and footnotes omitted, and emphasis added unless otherwise noted.

[5] Appendix A to Amended Joint Stipulation of Class Action Settlement and Release [ECF No. 33-1] inadvertently omitted New York Partnership Form 51013. However, Notice was mailed to all such policyholders. An updated Appendix A has been included in the version of the Amended Settlement Agreement that is attached as Exhibit B to the Penny Declaration, filed contemporaneously herewith.

14, 2022, a substantial number of individuals have accessed this settlement website and the documents and information on it. According to the Administrator, the settlement website has received 34,198 unique visitors, with 63,937 web pages presented to viewers. *Id.* ¶21. Additionally, the Administrator established a toll-free telephone number through which individuals can receive answers to "FAQs" about the Settlement. As of September 14, 2022, the toll-free number has fielded 10,373 calls totaling 62,610 minutes of use. *Id.* ¶22. Class Counsel also established their own call center and toll-free number. That information was posted on the Settlement website and included in several places in the Notice. The call center is staffed by Class Counsel. As of September 15, 2022, this call center has fielded nearly 4,300 calls and responded directly to questions those Class Members had about the Notice, the Settlement terms, or both. *See* Penny Decl. ¶15.

On September 2, 2022, the Publication Notice was published in *The New York Times*, *The Wall Street Journal*, and *USA Today*. Azari Decl. ¶19. The combined average weekday circulation of these three publications is approximately 1.26 million. *Id.* This combination of individual, first-class mail to all Class Members, supplemented by notice in appropriate, widely circulated publications, and set forth on the website, is calculated to reach more than 95% of the Class, *see* Azari Decl. ¶26, and constitutes "the best notice . . . practicable under the circumstances." FED. R. CIV. P. 23(c)(2)(B).[6]

IV. THE SETTLEMENT WARRANTS FINAL APPROVAL

A. Standards for Final Approval of Class Action Settlements

[6] One Choice 2 policy form, NY 51013, was inadvertently left off of the Notice List that was attached to the Settlement Agreement. However, Notice was timely sent to those NY 51013 policyholders at the same time as Notice was sent to other Class Members. The Parties have updated the Settlement Agreement's Class Policies Appendix to include this policy form and have attached that Appendix to this Motion.

A "district court should approve a class action settlement it finds to be 'fair, reasonable, and adequate.'" *In re Genworth Fin. Sec. Litig.*, 210 F. Supp. 3d 837, 839 (E.D. Va. 2016) (Gibney, J.) (granting final approval). Rule 23(e)(2), amended as of December 1, 2018, provides several factors for district courts to consider in making this assessment:

> (2) ***Approval of the Proposal.*** If the proposal would bind class members, the court may approve it only after a hearing and only on finding that it is fair, reasonable, and adequate after considering whether:
>
> (A) the class representatives and Lead Counsel have adequately represented the class;
>
> (B) the proposal was negotiated at arm's length;
>
> (C) the relief provided for the class is adequate, taking into account:
>
> (i) the costs, risks, and delay of trial and appeal;
>
> (ii) the effectiveness of any proposed method of distributing relief to the class, including the method of processing class-member claims;
>
> (iii) the terms of any proposed award of attorney's fees, including timing of payment; and
>
> (iv) any agreement required to be identified under Rule 23(e)(3); and
>
> (D) the proposal treats class members equitably relative to each other.

Fed. R. Civ. P. 23(e)(2).

In the Fourth Circuit, the Rule 23(e)(2) analysis has been condensed into the two-step *Jiffy-Lube* test which examines the fairness and adequacy of the settlement. *Skochin*, 2020 WL 6697418, at *2 (citing *In re Jiffy Lube Sec. Litig.*, 927 F.2d 155, 158-59 (4th Cir. 1991)). Amended Rule 23(e)(2)(B) (arm's-length negotiation) and amended Rule 23(e)(2)(C)(i) (adequacy of the settlement) are similar to the two-level analysis previously adopted by the Fourth Circuit, which "includes an assessment of both the procedural fairness of the settlement negotiations and the substantive adequacy of the agreement itself." *In re Neustar, Inc. Sec. Litig.*, No. 1:14cv885 (JCC/TRJ), 2015 WL 8484438, at *2 (E.D. Va. Dec. 8, 2015) (Cacheris, J.) (citing *Jiffy Lube.*, 927

F.2d at 158-60). Like Rule 23(e)(2)(B), this procedural fairness analysis ensures "that the settlement was reached as a result of good-faith bargaining at arm's length, without collusion." *Jiffy Lube*, 927 F.2d at 158-59. And, like Rule 23(e)(2)(C)(i), the adequacy analysis "'weigh[s] the likelihood of the plaintiff's recovery on the merits against the amount offered in settlement.'" *Neustar*, 2015 WL 8484438, at *2.

As discussed below, given the recovery obtained (including the Disclosures, the opportunity for each Class Member to make novel Special Election Options, and those Options' enhanced paid-up benefits or substantial cash damages payments), the risks faced, and the procedural posture of the Action when an agreement was reached, the Settlement satisfies each of the Rule 23(e)(2) factors, as well as the Fourth Circuit's "fairness" and "adequacy" tests.

B. The Settlement Is Fair and Was Negotiated at Arm's Length

The Rule 23(e)(2)(B) factor (arm's-length negotiation) and the first part of the Fourth Circuit's *Jiffy Lube* analysis consider a procedural issue: "whether the parties settled the case through good-faith, arm's-length bargaining." *Genworth*, 210 F. Supp. 3d at 839. In making this determination, courts in the Fourth Circuit look to: "(1) the posture of the case at the time settlement was proposed, (2) the extent of discovery that had been conducted, (3) the circumstances surrounding the negotiations, and (4) the experience of counsel in the area of [consumer] class action litigation." *Skochin*, 2020 WL 6697418, at *2; *Jiffy Lube*, 927 F.2d at 159.

1. The Settlement Was Reached After Extensive Discovery with All Parties Having a Comprehensive Understanding of the Merits

The first and second *Jiffy Lube* factors focus on whether the case has progressed far enough to dispel any wariness of "possible collusion among the settling parties" and to ensure "all parties appreciate the full landscape of their case when agreeing to enter into the Settlement." *Neustar*, 2015 WL 8484438, at *3. There is no bright-line amount of litigation or discovery that must be

undertaken to satisfy these factors. *See Jiffy Lube*, 927 F.2d at 159 (affirming settlement at a "very early stage in the litigation and prior to any formal discovery"); *In re MicroStrategy, Inc. Sec. Litig.*, 148 F. Supp. 2d 654, 664-65 (E.D. Va. 2001) (approving settlement "early on" because it was "clear that plaintiffs 'ha[d] conducted sufficient informal discovery and investigation to . . . evaluate [fairly] the merits of Defendants' positions during settlement negotiations'").

Here, the MOU was signed based on pre-complaint discovery and mediation, and the Settlement was reached only after extensive confirmatory discovery during which a careful evaluation of the action and the propriety of Settlement could be (and was) made. For example, Plaintiffs and Class Counsel had already:

- researched Genworth rate action filings with insurance commissioners over a ten-year period in at least 20 states;
- surveyed and charted Choice 2 and Choice 2.1 rate action approvals in all 50 states, as well as California CADE, California Reprice, and California Unbundled rate action approvals;
- reviewed the past ten years of Genworth's SEC filings, public statements, and financial statements filed with the Delaware Department of Insurance;
- reviewed all correspondence between Genworth and the Plaintiffs, including their policies and all rate action letters the Plaintiffs received;
- drafted a detailed Complaint incorporating this information;
- reviewed and analyzed over 300,000 pages of documents produced by Genworth in this litigation;
- interviewed Genworth's Senior Project Manager for In-Force Placement, who was responsible for developing rate increase notification letters sent to the Class, as well as for providing support for the customer service team following state regulatory decisions on Genworth's rate increase requests;
- interviewed Genworth's Senior Vice President for LTC Inforce, who was responsible for development of rate increase action plans, new LTC products, and helping to oversee the state regulatory approval process of LTC rate increase requests;
- served Genworth with interrogatories and received and reviewed detailed responses;

- produced documents and answered interrogatories in response to discovery served by Genworth;
- drafted mediation statements and other documents and conducted multiple in-person mediation sessions with Genworth and Rodney Max; and
- reviewed data from the *Skochin* class action settlement and the response of the *Skochin* class to that settlement.

See Penny Decl. ¶24.

Plaintiffs and Class Counsel had sufficient information to "appreciate the full landscape of their case when agreeing to enter into this Settlement," *Skochin*, 2020 WL 6697418, at *3, and to "evaluate [fairly] the merits of Defendants' positions during settlement negotiations." *MicroStrategy*, 148 F. Supp. 2d at 665; *see also Genworth*, 210 F. Supp. 3d at 840 (approving settlement following "extensive and hard-fought" process); *Neustar*, 2015 WL 8484438, at *3 (approving settlement where counsel's investigation provided sufficient information to evaluate defendants' positions). The extent of the proceedings and discovery prior to the Settlement strongly supports approval of the Settlement.

2. The Settlement Negotiations Were Conducted at Arm's-Length with an Experienced Mediator

The third *Jiffy Lube* factor considers "the negotiation process by which the settlement was reached in order to ensure that the compromise [is] the result of arm's-length negotiations . . . necessary to effective representation of the class's interests." *Neustar*, 2015 WL 8484438, at *4; *see also Skochin*, 2020 WL 6697418, at *3 (examination of the circumstances surrounding the negotiation allows court to ensure settlement was reached through arms-length negotiations).

As set forth in further detail in Plaintiffs' brief in support of their Motion to Direct Notice to the Class (ECF No. 27) and the Declaration of Rodney Max (ECF No. 28-2) (Penny Decl., Ex A), the Parties engaged in extensive arm's-length negotiations before reaching the Settlement. The Parties held initial discussions over several months following pre-suit notice to Genworth, including discussions regarding a possible framework for any potential settlement. The Parties

then conducted three in-person mediation sessions with Mr. Max. In advance of the mediation sessions, the Parties provided Mr. Max with information about their claims or defenses and their views on settlement.

On November 8, 2021, Mr. Max convened the first mediation session with the Parties at the law offices of Dentons in New York City. *Id.*, ¶16. The Parties worked all day with Mr. Max and engaged in a wide-ranging information session during which the Parties had extensive discussions regarding how this case was similar to, and different from, the prior *Skochin* and *Halcom* cases. *Id.* During the mediation session, Plaintiffs' Counsel propounded a number of fact questions to Genworth and requested documents and data points from Genworth. *Id.* Following the initial mediation session, Genworth produced the requested information and documents and the Parties reconvened in Mr. Max's offices in Miami, Florida for a two-day mediation session on January 14 and 15, 2022. *Id.* ¶¶ 16-17.

On January 14, 2022, the Parties made substantial progress on a general framework for a negotiated resolution. *Id.* ¶17. The Parties concluded the third day of mediation on January 15, 2022, by executing the MOU, setting forth the material terms of an agreement-in-principle to be incorporated into a formal Settlement Agreement for the Court's approval. *Id*. On January 28, 2022, contemporaneous with the filing of the Complaint, the Parties notified the Court of their agreement and of the MOU. ECF No. 9. The Court subsequently entered a scheduling order setting forth the schedule for seeking Court approval of the Settlement. ECF No. 12.

As observed by Mr. Max, all mediation sessions were conducted at arm's length and involved no hint of collusiveness. The negotiations involved were complex and quite adversarial, and at several junctures it appeared that a resolution may not be reached. Max Decl., ECF No. 28-2 ¶20. This arm's-length negotiation process, facilitated by a respected and experienced mediator, supports final approval. *See Genworth*, 210 F. Supp. 3d at 840-41 (approving settlement reached following two mediation sessions); *Wong v. Accretive Health, Inc.*, 773 F.3d 859, 864 (7th Cir. 2014) (affirming settlement "proposed by an experienced third-party mediator after an arm's-length negotiation").

3. The Action Was Litigated and Settled by Counsel with Significant Experience in Class Action Litigation

The final *Jiffy Lube* fairness factor "'looks to the experience of Lead Counsel in this particular field of law.'" *Genworth*, 210 F. Supp. 3d at 841. Where counsel is experienced, "it is 'appropriate for the court to give significant weight to the judgment of Class Counsel that the proposed settlement is in the interest of their clients and the class as a whole.'" *MicroStrategy*, 148 F. Supp. 2d at 665.

Class Counsel has many years of experience in complex class action litigation and staffed their team with highly experienced attorneys who dedicated thousands of hours to the litigation. *See* Penny Decl., ¶20. Mr. Penny and his firm, Goldman Scarlato & Penny, P.C. ("GSP"), have successfully represented aggrieved individuals and entities in class action litigation for decades. *See* ECF No 28-6 (GSP Firm Resume). Likewise, Robbins Geller Rudman & Dowd LLP ("Robbins Geller"), where Plaintiffs' Counsel Stuart Davidson is a partner, is considered one of the most successful and experienced class action litigation firms in the country, achieving numerous record-breaking recoveries for class members. *See* ECF No 28-7 (Robbins Geller Firm Resume). Mr. Davidson himself has spent the last 17 years of his 24-year career representing consumers, insureds, and shareholders in class action suits around the country. Michael Phelan and Jonathan Petty of Phelan Petty, LLC ("Phelan Petty") are well-known to this Court as providing excellent representation of their clients. *See* ECF No 28-8 (Phelan Petty Firm Resume). Finally, Berger Montague, where Plaintiffs' counsel Glen Abramson is a Shareholder, is known for its experience in handling class action consumer litigations and has been recognized by courts throughout the country for its ability and results. *See* ECF No 28-9 (Berger Montague Firm Resume). "[W]hen Lead Counsel are nationally recognized members of the . . . litigation bar, it is entirely warranted for this Court to pay heed to their judgment in approving, negotiating, and

entering into a putative settlement." *NeuStar*, 2015 WL 8484438, at *4 (citing *In re The Mills Corp. Sec. Litig.*, 265 F.R.D. 246, 255 (E.D. Va. 2009)).

In addition to their extensive experience in class action litigation in general, these four firms have extensive experience in the field of LTC insurance litigation, and with these Defendants in particular, given their representation of the classes in the prior *Skochin* and *Halcom* cases. These facts further support the fairness of the Settlement. *See Genworth*, 210 F. Supp. 3d at 841 (holding that counsel's "many years of experience in complex class actions . . . demonstrat[ed] the fairness of the Settlement"); *Neustar*, 2015 WL 8484438, at *4 (finding opinions of counsel and institutional plaintiff further supported that the settlement was fair).

C. The Settlement Is Adequate Considering the Costs, Risks, and Delay of Trial and Appeal

Rule 23(e)(2)(C)(i) and the second part of the Fourth Circuit's *Jiffy Lube* analysis address the substantive adequacy of the settlement. Rule 23(e)(2)(C)(i) advises district courts to consider "the costs, risks, and delay of trial and appeal." Fed. R. Civ. P. 23(e)(2)(C)(i). When comparing the benefits achieved in the Settlement to these risks, the adequacy factors weigh in favor of finding the proposed Settlement adequate.[7]

The Disclosures offered in the Settlement are valuable to the Class in their own right. By learning Genworth's plans for additional rate increases, as well as Genworth's dependency on rate increases to pay future claims and its current financial condition, Class Members will be in a much better position to properly plan for their LTC insurance needs, and this Settlement will thereby

[7] In *Jiffy Lube*, the Fourth Circuit provided five adequacy factors that overlap with Rule 23(e)(2)(C): (1) the relative strength of the plaintiffs' case on the merits; (2) the existence of any difficulties of proof or strong defenses the plaintiffs are likely to encounter if the case goes to trial; (3) the anticipated duration and expense of additional litigation; (4) the solvency of the defendants and the likelihood of recovery on a litigated judgment; and (5) the degree of opposition to the settlement. 927 F.2d at 159. The fourth factor is irrelevant to this Action, and the other factors are addressed within the Rule 23(e)(2)(C)(i) analysis.

correct the informational imbalance that Plaintiffs alleged Genworth was using to its advantage. Additionally, the financial damages payments and enhanced paid up benefit coverage options offered in the Settlement provide Class Members significant benefits in light of the harm allegedly caused by not having this information sooner.

In the aggregate, the component of the Settlement providing for cash damages payments to Class Members who make certain Special Election Options will likely be substantial. As noted, there are more than 350,000 Class Members and the aggregate relief available to those Class Members is uncapped. In recent years, approximately 30% of Genworth's policyholders have elected some form of non-forfeiture or reduced benefit options to revise their coverage and premiums when given the opportunity following rate increases. Additionally, the Parties are able to provide the Court with data concerning the *Skochin* settlement administration to date that, although involving different policies with different pricing and rate increase histories, may serve as a useful reference for the Court to evaluate this similar settlement. At this point, approximately 99% of the *Skochin* settlement has been fully implemented (meaning that 99% of *Skochin* settlement class members have received a special election letter and their time to make an election has fully run). Of that population of the *Skochin* settlement class, approximately 28% of *Skochin* class members in premium-paying status have made an election. This is a very impressive "claims rate" and indicates the *Skochin* class members' very favorable response to the options afforded them. *Compare, e.g.*, *In re Facebook Biometric Info. Priv. Litig.*, No. 15-CV-03747-JD, 2021 WL 757025, at *2 (N.D. Cal. Feb. 26, 2021), *appeal dismissed*, No. 21-15555, 2021 WL 2660668 (9th Cir. June 22, 2021) (approving consumer class settlement and lauding the "claims rate of approximately 22%, a result that vastly exceeds the rate of 4-9% that is typical for consumer class actions") (citing F.T.C., *Consumers and Class Actions: A Retrospective and Analysis of Settlement Campaigns*, at 11 ("Across all cases in our sample requiring a claims process, the median

calculated claims rate was 9%, and the weighted mean (i.e., cases weighted by the number of notice recipients) was 4%.")); *see also id.* at *8 ("a claims rate of around 22%" is "an unprecedentedly positive reaction by the class."). As such, it is not unreasonable to think that the proposed Settlement in this case will prompt a similarly favorable reaction from this Class.

Genworth has calculated that if this Settlement were to achieve a comparatively (to *Skochin*) modest take rate of 10% (which would still exceed the median claims rates for class actions, as noted directly above), the total cash damages payments to Class Members in this case could be approximately $224 million in total. Declaration of Nicholas Sheahon ("Sheahon Decl.") ¶¶4-5 (attached as Exhibit C to Penny Decl.). If this Settlement were to achieve a take rate of 30%, similar to that of *Skochin* to date (again, an extraordinary result), the total cash damages payment to Class Members in this case could be approximately $609 million in total. *Id.* Any cash damages payment amount would not even include the substantial value to those eligible Class Members who elect the 150% paid-up benefit available under that Special Election Option, or the value of obtaining the additional Disclosures. While these are just hypothetical calculations at this point, and Plaintiffs and Genworth simply do not (and cannot) know what Special Election Option any Class Member may or may not elect given the novelty of the Special Election Options and the fact that they are in most cases being offered outside the context of a specific rate increase, there is no question that the Settlement is an excellent result that includes substantial relief, with each Class Member getting to choose what relief they prefer.

1. Plaintiffs Faced Risks in Continuing the Litigation

The Parties recognized that litigation through trial and likely appeals posed significant risks that made *any* result uncertain. For example, although Genworth did not file a motion to dismiss in light of this Court's prior rulings in *Skochin*, Genworth would argue at summary judgment or at trial that the evidence demonstrates they did not make any material misstatements or omissions

and that circumstances for rate increases for these Class Policies were significantly different from those for the *Skochin* and *Halcom* policies. Those factual differences made this case considerably more challenging for Plaintiffs than the prior *Skochin* and *Halcom* cases. In particular, Genworth would have argued that its internal plans for future rate increases on the Class Policies were far less concrete or long-term than they were in the prior cases, obviating any duty to make additional disclosures.[8] While Plaintiffs believe they could have rebutted those arguments, if Genworth were able to demonstrate that their plans for future rate increases did not include increases on the Class Policies, then Plaintiffs' claims would likely have been unsuccessful. Thus, the difficulties of proof were significant and far more challenging than the prior litigations. Genworth also would likely renew its argument, including on appeal, that Plaintiffs' claims were barred by the filed rate doctrine. The underlying facts involved the overlap of complicated issues of insurance regulation and actuarial accounting that may be challenging for most laypersons to understand.

Further, Genworth would have argued that class certification was unwarranted on either of Plaintiffs' claims because, according to Genworth, fraud claims require proof of reliance. Plaintiffs would have argued that a presumption of reliance was available under *Affiliated Ute Citizens v. United States*, 406 U.S. 128, 153 (1972) (reliance for fraud claim presumed based on materiality of omission), based on arguments that Genworth's omissions were material, and that the rate increase notification letters were all uniform based on template forms, but Genworth would have disputed that and, in any event, would have argued that any presumption would have been rebutted. Genworth also would have argued that the substantial involvement of state insurance regulators in the long-term care insurance rate increase gave rise to numerous defenses, both factual and legal.

[8] Genworth has denied and continues to deny any liability in connection with its actions related to rate increases and disclosures in the *Skochin* and *Halcom* cases; Plaintiffs are merely acknowledging that, based on Class Counsel's experience and judgment, the facts in those cases were stronger than those in the present case.

Plaintiffs would have to prevail on ***all*** of these issues at class certification and trial, and if they prevailed at both, on the appeals that would likely follow. Thus, there were significant risks to the continued prosecution of this Action. Moreover, without settlement, the length of time and the expense required to resolve all of these issues would be considerable. Considering the age of the Members of the proposed Class, any delay in resolving these claims would likely prevent some Class Members from being able to participate at all, even were the case to be successful.

At bottom, although Plaintiffs believe their claims are meritorious, further litigation posed a significant threat to any class-wide recovery, let alone the significant recovery achieved by Plaintiffs here. *See Genworth*, 210 F. Supp. 3d at 841-42 ("Even with a strong case, the plaintiffs nonetheless face a large risk before a jury.").

2. The Settlement Eliminates the Additional Costs and Delay of Continued Litigation

Rule 23(e)(2)(C)(i) advises district courts to consider the costs and delay of continued litigation absent a settlement. The foregoing risks demonstrate that several complex and nuanced issues would be the subject of ongoing litigation, and it is well-established that class action litigation is costly and time consuming. *See, e.g.*, *Genworth*, 210 F. Supp. 3d at 842 ("Taking this case through trial and any appeals would involve a great deal of effort and expense, especially in light of the unknown outcome of such actions."); *MicroStrategy*, 148 F. Supp. 2d at 667 (noting continued litigation "would likely have been protracted and costly, requiring extensive expert testimony concerning the company's accounting practices").

If not for this Settlement, the case would have continued to be fiercely contested. The Parties would have continued extensive discovery efforts (including depositions and expert work) and then completed briefing and a hearing on Plaintiffs' class certification motion. If that motion were granted, the Parties would then have briefed and argued motions to exclude experts, motions for summary judgment, motions *in limine* and other pretrial motions, as well as prepared exhibits and witnesses for trial, and completed a trial likely to last several weeks. Once all that was done,

even if Plaintiffs could recover a judgment larger than the Settlement after trial, the additional delay, through trial, post-trial motions, and the appellate process, could last for years, with costs compounding throughout that time. *See MicroStrategy*, 148 F. Supp. 2d at 667 ("[T]here is little doubt that a jury verdict for either side would only have ushered in a new round of litigation in the Fourth Circuit and beyond, thus extending the duration of the case and significantly delaying any relief for plaintiffs.").[9]

A prolonged period of pretrial proceedings and lengthy and uncertain trial and appeals would not serve the interest of the Class in light of the monetary and injunctive benefits provided by the Settlement. As in *MicroStrategy*, "the old adage, 'a bird in the hand is worth two in the bush,' applies with particular force here." *MicroStrategy,* 148 F. Supp. 2d at 667.

3. The Degree of Opposition to the Settlement

The Class Notice has been mailed to 352,146 potential Class Members. *See* Azari Decl. ¶14. As of September 14, 2022, 60 Class Members have opted-out of the Settlement. *See id.*, ¶24. Class Counsel is also aware of 2 objections to the Settlement. Thus far, the response from the Class has been overwhelmingly positive. Indeed, Class Counsel have spoken to nearly 4,300 Class Members, the vast majority of whom expressed their strong approval of the Settlement. *See* Penny Decl. ¶15.[10]

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[9] *See also In re Merck & Co., Inc. Vytorin Erisa Litig.*, No. 08-CV-285 (DMC), 2010 WL 547613, at *11 (D.N.J. Feb. 9, 2010) ("[E]ven a victory at trial is not a guarantee of ultimate success. If plaintiffs were successful at trial and obtained a judgment for substantially more than the amount of the proposed settlement, the defendants would appeal such judgment. An appeal could seriously and adversely affect the scope of an ultimate recovery, if not the recovery itself."); *Glickenhaus & Co. v. Household Int'l, Inc.*, 787 F.3d 408 (7th Cir. 2015) (ordering new trial six years after verdict and thirteen years after case was commenced).

[10] Class Members still have until September 30, 2022, to opt-out of or object to the Settlement. Plaintiffs will update these numbers and address all objections to the Settlement in their reply brief to be filed on or before November 3, 2022.

D. The Proposed Settlement Is Fair and Adequate Under the Additional Amended Rule 23(e)(2) Factors

In addition to the costs, risks, and delay of continued litigation, Rule 23(e)(2)(A) advises district courts to consider whether "the class representatives and Lead Counsel have adequately represented the class," and Rules 23(e)(2)(C)-(D) advise district courts to consider "the effectiveness of any proposed method of distributing relief to the class," the "terms of any proposed award of attorney's fees, including the timing of payment," and "any agreement required to be identified under Rule 23(e)(3)." Fed. R. Civ. P. 23(e)(2). These factors also confirm the fairness and adequacy of the Settlement.

1. Plaintiffs and Their Counsel Have Adequately Represented the Class

In prosecuting this case, Plaintiffs have participated in the drafting of the Complaint, produced documents, responded to discovery, regularly communicated with counsel, and overseen the litigation (including through the mediation process). *See* Named Plaintiff Declarations, (Penny Decl. Exs. J-N), ¶¶3-8. Class Counsel has investigated claims, researched and drafted the Complaint, obtained, reviewed, and analyzed over 300,000 pages of documents; interviewed key Genworth personnel; and engaged in three full-day mediation sessions. Moreover, Plaintiffs and their counsel have achieved an excellent result, particularly when comparing the injunctive and monetary relief obtained in the Settlement to that sought in the Complaint.

2. The Proposed Method for Distributing Relief Is Effective

The Settlement provides two primary sources of relief: (1) additional Disclosures about Genworth's current financial condition, its plans to seek additional rate increases in the future, and its reliance on obtaining future rate increases to pay future claims; and (2) an opportunity for each Class Member to, if they so choose, select options to restructure their coverage, benefits, and premiums in light of those additional Disclosures while also either enhancing their benefits or obtaining cash damages payments from Genworth. This Settlement not only affords Class

Members additional information and an opportunity to restructure their current policy terms in light of the additional Disclosures but also the ability to obtain financial relief if those Class Members choose.

The process for obtaining these benefits under the Settlement is also simple and effective. Rather than having the third-party administrator send the Special Election Letter with the additional Disclosures and the Special Election Options to Class Members, Genworth will be sending the Special Election Letter to Class Members directly. As the Class Members' LTC insurer and having successfully administered the Special Election Letters and processing of elections in the *Skochin* settlement, Genworth has the requisite operational experience and capacity to handle creating individual Special Election Letters for each Class Member based on their specific policy and mailing those letters to Class Members. Because letters from one's insurance carrier are ordinarily considered extremely important, this will ensure that Class Members will view the letter and afford it the attention it deserves, as the high engagement of the *Skochin* settlement class to date has demonstrated.

The format of the Special Election Letter will also be familiar to Class Members, as it is similar to the table formatting of prior rate action letters sent by Genworth. And to select among the Special Election Options, a Class Member merely needs to check a box, sign, and return the form.

Again, recognizing Genworth's operational experience and capacity *vis-a-vis* changes in Class Members' LTC policies and administration of the *Skochin* settlement, Genworth will handle the administration of Class Members' new Special Elections Options. And to ensure accuracy of Genworth's election-handling process, the Court-appointed Settlement Administrator, Epiq, will be conducting audits every Quarter and will report the results of such audits to Class Counsel and

Genworth, as explained in the Azari Declaration, ECF No. 28-5 ¶¶ 16-21.[11]

3. Class Counsel's Fees and The Timing of Payment Are Reasonable

Class Counsel's request for an award of attorneys' fees was fully disclosed in the Notice and is reasonable and appropriate, as detailed in Class Counsel's accompanying Memorandum of Law in Support of Motion for an Award of Attorneys' Fees and Expenses and an Award to Plaintiffs (the "Fee Brief"). It is important to emphasize that Class Counsel will not be paid ***any*** of the fees approved until the Settlement becomes effective ***and*** Class Members begin to send in their new election forms. All attorneys' fees will be paid on a rolling basis in concert with Class Member elections that trigger the payment of those fees. As such, both the timing and amount of attorneys' fees will be tied directly to the timing and amount of cash benefits paid to the Class. Importantly, the Class's damages payments ***will not be reduced*** by Class Counsel's fee or expense awards. Genworth has agreed to pay the Court-approved fees and expenses ***on top of*** the Class's damages payments, providing additional benefits to the Class. *See* Manual for Complex Litig. § 21.75 (4th ed. 2008) ("If an agreement is reached on the amount of a settlement fund and a separate amount for attorney fees . . . the sum of the two amounts ordinarily should be treated as a settlement fund for the benefit of the class."). Finally, Class Counsel has requested, and Genworth has agreed to pay, $15,000 for each of the Named Plaintiffs for the work they performed on behalf of the Class, which included extensive conversations with Class Counsel in advance of and throughout the litigation, producing all relevant discovery, including sensitive personal medical and financial information, responding to written discovery requests, and discussing the terms of the proposed Settlement. *See* Named Plaintiff Declarations, (Penny Decl., Exs J-N), ¶¶39-. The request for attorneys' fees, expenses and service awards should be granted.

[11] To date, the similar audits of the *Skochin* Settlement administration have revealed no errors, let alone of any significance.

4. The Parties Have No Side Agreements Other than Opt-Outs

Rule 23(e)(2)(C)(iv) requires the disclosure of any other agreement. The Parties have not entered into ***any*** other or supplemental agreement in connection with this Settlement.

5. The Settlement Treats Class Members Equitably

The final factor, Rule 23(e)(2)(D), looks at whether the class members are treated equitably. "In determining whether to approve a class action settlement, the issue is not whether everyone affected by the settlement is completely satisfied. Instead, the test is whether the settlement as a whole, is a fair, adequate, and reasonable resolution of the claims asserted." *Skochin v. Genworth Financial, Inc.*, 2020 WL 6532833, *18 (ED Va. Nov. 5, 2020).

This Settlement treats Class Members equitably relative to each other based on the specific terms of their Class Policy. Subject to review and instruction by state insurance regulators, Class Members will all be given the same Disclosures about Genworth's current financial condition, plans for future rate increase requests, and its reliance on those requests to pay future claims. Then, in light of that information (again, subject to review and instruction by state insurance regulators), Class Members will be entitled to voluntarily choose which new Special Election Option (if any) is best for them. In that way, each and every Class Member is treated the same.

Moreover, the amount of the cash damages payments associated with Special Election Options involving a benefit reduction (not including the Non-Forfeiture Option) is the same $6,000 for all Class Members, or $1,000 for the stable premium option. For Class Members that are not currently in Fully Paid-Up Status or Non-Forfeiture Status and chose either of the paid-up benefit Special Election Options, they will either receive $10,000 in cash, or they can increase the value of their paid-up benefit to 150% of what it would be worth outside the Settlement. All of these options if elected in the Settlement have significant benefits compared to the terms of similar options offered outside the Settlement and the Class Members each get to decide which ones, if any, they prefer. It is also important to note that there is no cap on the amount of financial damages

Genworth will pay to the Class Members, which means that each Class Member's decision to elect options that pay financial damages will not affect any other Class Member's ability to select such options nor will it impact the amount of financial damages each can recover in the Settlement. This also makes the allocation of the Settlement benefits entirely equitable to all Class Members.

Thus, each factor identified under Rule 23(e)(2) is satisfied. Plaintiffs respectfully submit that the Settlement is fair, reasonable, and adequate, and request that the Court grant final approval.

V. CERTIFICATION OF THE CLASS REMAINS WARRANTED

The Court previously, for settlement purposes only, preliminarily (1) approved this action as a class action pursuant Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure, and (2) appointed Plaintiffs as Class Representatives and Plaintiffs' counsel as Class Counsel. ECF No. 52, ¶¶ 9-13. Nothing has changed to alter the propriety of certification for settlement purposes. Again, the Court has previously certified two very similar settlement classes in the prior *Skochin* and *Halcom* litigations. *See Skochin v. Genworth Life Ins. Co.*, No. 19-cv-00049 (REP), (E.D.Va. Nov. 12, 2020), ECF No. 220; *Halcom v. Genworth Life Ins. Co.*, No. 21-cv-00019-REP, (E.D.Va. Jun. 29, 2022), ECF No. 119. For these reasons, and all the reasons stated in Plaintiffs' preliminary approval brief (ECF No. 27 at 25-32), Plaintiffs request that the Court grant final certification of the Class and appointment of Plaintiffs as Class Representatives and Plaintiffs' counsel as Class Counsel, for settlement purposes only, pursuant to Rules 23(a) and (b)(3).

VI. CONCLUSION

This Settlement is a highly favorable, fair, and adequate result, particularly given the substantial, certain, and immediate benefit of the Settlement to the Class, the arm's-length settlement negotiations, the stage of litigation and discovery at the time of settlement, the advocacy of experienced counsel for all Parties, and the considerable risk, expense, and delay if the case were to continue. Therefore, and for all the reasons stated above and in the accompanying

declarations and Fee Brief, Plaintiffs respectfully request that this Court approve the Settlement as fair, reasonable, and adequate, and certify the Class for settlement purposes only.

Proposed orders certifying the Class, approving an award of attorneys' fees, costs and service awards, and granting final approval of the Settlement will be filed with Plaintiffs' and Class Counsel's reply papers on or before November 3, 2022.

DATED: September 16, 2022

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CERTIFICATE OF SERVICE

I hereby certify that on September 16, 2022, I filed the foregoing pleading or paper through the Court's CM/ECF system, which sent a notice of electronic filing to all registered users.

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