IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF ARIZONA

Dillan Clarke, Elayne Martinez, Brian Kircher, Juanita Sarabia, Megan Kircher, Donald Banti and Marcia Banti, Ryan Mangum and Tiffany Mangum, Anthony Spano, Carol Ashby, Margaret O'Grady, Mayra Esquivel and her minor son, E.N., on behalf of themselves and all others similarly situated, v. Yuma Regional Medical Center, Defendant.	No. CV-22-01061-PHX-SMB **ORDER**

Before the Court is Plaintiffs' Motion for Preliminary Approval of Class Action Settlement (the "Motion") (Doc. 123), the terms of which are set forth in a Settlement Agreement (the "Settlement Agreement") between Plaintiffs Dillan Clarke, Elayne Martinez, Brian Kircher, Juanita Sarabia, Megan Kircher, Donald Banti and Marcia Banti, Ryan Mangum and Tiffany Mangum, Anthony Spano, Carol Ashby, Margaret O'Grady, Mayra Esquival and her minor son, E.N. ("Plaintiffs") and Yuma Regional Medical Center, ("Defendant" or "YRMC," together, with Plaintiffs, the "Parties") with accompanying exhibits and Plaintiffs' Memorandum of Law in Support of the Motion for Preliminary Approval of Class Action Settlement.[1] This Lawsuit arises from a cybersecurity incident that

[1] All defined terms in this Order Granting Preliminary Approval of Class Action Settlement ("Preliminary Approval Order") have the same meaning as set forth in the

allegedly impacted Defendant in April 2022.

Having reviewed the Settlement Agreement and attached exhibits and for good cause appearing, the Court hereby **GRANTS** the Motion and **ORDERS** as follows:

1. **Class Certification for Settlement Purposes Only**. The Settlement Agreement provides for a Settlement Class defined as follows:

> All living individuals who were sent notice of the Data Incident.

Excluded from the Settlement Class are: (i) YRMC; (ii) all Settlement Class Members who timely and validly request exclusion from the Settlement Class; (iii) any judges assigned to this case and their staff and family; and (iv) any other Person found by a court of competent jurisdiction to be guilty under criminal law of initiating, causing, aiding or abetting the criminal activity occurrence of the Data Incidents or who pleads *nolo contendere t*o any such charge.

Pursuant to Fed. R. Civ. P. 23(e), the Court finds that giving notice is justified. The Court finds that it will likely be able to approve the proposed Settlement as fair, reasonable, and adequate. The Court also finds that it will likely be able to certify the Settlement Class for the purposes of settlement because the Settlement meets all of the requirements of Fed. R. Civ. P. 23(a) and Fed. R. Civ. P. 23(b)(3). Specifically, the Court finds for settlement purposes that: (a) the Settlement Class is so numerous that joinder of all Settlement Class Members would be impracticable; (b) there are issues of law and fact that are common to the Settlement Class; (c) the claims of the Class Representatives are typical of and arise from the same operative facts and the Class Representatives seek similar relief as the claims of the Settlement Class Members; (d) the Class Representatives will fairly and adequately protect the interests of the Settlement Class as the Class Representatives have no interests antagonistic to or in conflict with the Settlement

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Settlement Agreement, unless otherwise indicated.

Class and have retained experienced and competent counsel to prosecute this Lawsuit on behalf of the Settlement Class; (e) questions of law or fact common to Settlement Class Members predominate over any questions affecting only individual members; and (f) a class action and class settlement is superior to other methods available for a fair and efficient resolution of this Lawsuit.

2. **Class Representatives and Class Counsel**. The Court finds that Plaintiffs Dillan Clarke, Elayne Martinez, Brian Kircher, Juanita Sarabia, Megan Kircher, Donald Banti and Marcia Banti, Ryan Mangum and Tiffany Mangum, Anthony Spano, Carol Ashby, Margaret O'Grady, Mayra Esquival and her minor son, E.N. are adequate and should be preliminarily appointed as the Settlement Class Representatives. Additionally, the Court finds that Jean S. Martin of Aylstock, Witkin, Kreis & Overholtz PLC and Bryan L. Bleichner of Chestnut Cambronne, PA are adequate and have fairly and adequately represented the interests of the Settlement Class and should be preliminarily appointed as Class Counsel.

3. **Preliminary Settlement Approval**. Upon preliminary review, the Court finds the Settlement is fair, reasonable, and adequate to warrant providing Notice of the Settlement to the Settlement Class and accordingly is preliminarily approved. In making this determination, the Court has considered the monetary and non-monetary benefits provided to the Settlement Class through the Settlement, the specific risks faced by the Settlement Class in prevailing on their claims, the good faith and arms' length negotiations between the Parties, the absence of any collusion in the Settlement, the effectiveness of the proposed method for distributing relief to the Settlement Class, the proposed manner of allocating benefits to Settlement Class Members, the equitable treatment of the Settlement Class Members under the Settlement, and all of the other factors required by Fed. R. Civ. P. 23 and Ninth Circuit precedent—including but not limited: whether class counsel receives a disproportionate distribution of the gross settlement amount;

whether any of the gross settlement amount reverts to Defendant; whether there is a clear sailing arrangement; the strength of Plaintiffs' case; the risk, expense, complexity and likely duration of further litigation; the risk of maintaining class action status throughout the trial; the amount offered in Settlement; the extent of discovery completed and the stage of proceedings; the experience and views of counsel; the presence of a government participant; and the reaction of the class members to the proposed settlement.

4. **Jurisdiction**. The Court has subject matter jurisdiction and personal jurisdiction over the parties before it. Additionally, venue is proper in this District.

5. **Final Approval Hearing**. A Final Approval Hearing shall be held on **March 1, 2027 at 10:00 a.m.** (30 minutes allowed), where the Court will determine, among other things, whether: (a) the Settlement Class should be finally certified for Settlement purposes; (b) the Settlement should be approved as fair, reasonable, and adequate, and finally approved; (c) this Lawsuit should be dismissed with prejudice pursuant to the terms of the Settlement Agreement; (d) Settlement Class Members (who have not timely and validly excluded themselves from the Settlement) should be bound by the releases set forth in the Settlement Agreement; (e) the application of Class Counsel for an award of attorneys' fees, costs, and expenses should be approved; and (f) the application of the Settlement Class Representatives for Service Awards should be approved.

6. **Settlement Administrator**. The Court appoints Eisner Advisory Group LLC as the Settlement Administrator, with responsibility for class Notice and Settlement Administration. The Settlement Administrator is directed to perform all tasks the Settlement Agreement requires. The Settlement Administrator's fees will be paid pursuant to the terms of the Settlement Agreement.

7. **Notice**. The proposed Notice Program set forth in the Settlement Agreement and the Notices and Claim Form attached to the Settlement Agreement

are hereby approved. Non-material modifications to these Exhibits may be made by the Settlement Administrator in consultation and agreement with the Parties, but without further order of the Court.

8. **Findings Concerning Notice**. The Court finds that the proposed form, content, and method of giving Notice to the Settlement Class as described in the Settlement Agreement and the exhibits: (a) will constitute the best practicable notice to the Settlement Class; (b) are reasonably calculated, under the circumstances, to apprise Settlement Class Members of the pendency of the Lawsuit, the terms of the proposed Settlement, and their rights under the proposed Settlement, including, but not limited to, their rights to object to or exclude themselves from the proposed Settlement and other rights under the terms of the Settlement Agreement; (c) are reasonable and constitute due, adequate, and sufficient Notice to all Settlement Class Members and other persons entitled to receive Notice; (d) meet all applicable requirements of federal law; and (e) and meet the requirements of the Due Process Clauses of the United States Constitution and the Arizona Constitution. The Court further finds that the Notice provided for in the Settlement Agreement is written in plain language, uses simple terminology, and is designed to be readily understandable by Settlement Class Members. The Settlement Administrator is directed to carry out the Notice Program in conformance with the Settlement Agreement.

9. **Exclusion from Class**. Any Settlement Class Member who wishes to be excluded from the Settlement Class must individually sign and timely submit an Opt-Out Request in the manner provided in the Settlement Agreement. The written request must clearly manifest a person's intent to be excluded from the Settlement Class, as set forth in the Settlement Agreement, and must be submitted individually, i.e., one request is required for every Settlement Class Member seeking exclusion. To be effective, such requests for exclusion must be postmarked no later than the Opt-Out Deadline. If a Final Approval Order and Judgment is

entered, all Persons falling within the definition of the Settlement Class who do not timely and validly request to be excluded from the Settlement Class shall be bound by the terms of this Settlement Agreement and the Final Approval Order and Judgment. All Persons who submit valid and timely requests to be excluded from the Settlement Class shall not receive any cash benefits of and/or be bound by the terms of the Settlement Agreement.

10. **Objections and Appearances**. A Settlement Class Member desiring to object to the Settlement Agreement may submit a timely written Objection by the manner provided in the Settlement Agreement. The Notice shall advise Settlement Class Members of the deadline for submission of any Objections—the "Objection Deadline." Any such Objections to the Settlement Agreement must be written and must include all the information required by the Settlement Agreement. To be timely, written notice of an Objection must be filed with the Clerk of the Court and mailed or hand delivered concurrently upon Class Counsel and Defendant's Counsel by the Objection Date. Any Settlement Class Member who fails to comply with the requirements for objecting shall waive and forfeit any and all rights he or she may have to appear separately and/or to object to the Settlement Agreement, shall be bound by all the terms of the Settlement Agreement and by all proceedings, orders, and judgments in the Lawsuit, and shall be precluded from seeking any review of the Settlement Agreement and/or Final Approval Order and Judgment by appeal or other means. The provisions stated in the Settlement Agreement shall be the exclusive means for any challenge to the Settlement Agreement. Any challenge to the Settlement Agreement, the final order approving this Settlement Agreement, or the Final Approval Order and Judgment to be entered upon final approval shall be pursuant to appeal under the federal Rules of Appellate Procedure and not through a collateral attack.

11. **Claims Process**. Class Counsel and Defendant have created a process for Settlement Class Members to claim benefits under the Settlement. The Court

preliminarily approves this process and directs the Settlement Administrator to make the Claim Form or its substantial equivalent available to Settlement Class Members in the manner specified in the Notice. The Settlement Administrator will be responsible for effectuating the claims process. Settlement Class Members who qualify for and wish to submit a Claim Form shall do so in accordance with the requirement and procedures specified in the Notice and the Claim Form. If the Final Order and Judgment is entered, all Settlement Class Members who qualify for any benefit under the Settlement but fail to submit a claim in accordance with the requirements and procedures specified in the Notice and the Claim Form shall be forever barred from receiving any such benefit, but will in all other respects be subject to and bound by the provisions in the Final Approval Order and Judgment, including the releases contained therein.

12. **Termination of Settlement**. This Preliminary Approval Order shall become null and void and shall be without prejudice to the rights of the Parties, all of whom shall be restored to their respective positions existing before the Court entered this Preliminary Approval Order and before they entered the Settlement Agreement, if: (a) the Court does not enter this Preliminary Approval Order; (b) the Settlement is not finally approved by the Court or is terminated in accordance with the Settlement Agreement; or (c) there is no Effective Date. In such event, (i) the Parties shall be restored to their respective positions in the Lawsuit prior to execution of the Settlement Agreement and shall jointly request that all scheduled Lawsuit deadlines be reasonably extended by the Court so as to avoid prejudice to any Party or their counsel; (ii) the terms and provisions of the Settlement Agreement shall have no further force and effect with respect to the Parties and shall not be used in the Lawsuit or in any other proceeding for any purpose, and (iii) any judgment or order entered by the Court in accordance with the terms of the Settlement Agreement shall be treated as vacated, *nunc pro tunc*.

13. **Use of Order**. This Preliminary Approval Order shall be of no force or effect if the Final Approval Order and Judgment is not entered or there is no Effective Date and shall not be construed or used as an admission, concession, or declaration by or against Defendant of any fault, wrongdoing, breach, liability, or propriety of certifying any class. Nor shall this Preliminary Approval Order be construed or used as an admission, concession, or declaration by or against the Class Representatives or any other Settlement Class Member that his or her claims lack merit or that the relief requested is inappropriate, improper, unavailable, or as a waiver by any Party of any defense or claims they may have in this Lawsuit or in any other lawsuit.

14. **Continuance of Hearing**. The Court reserves the right to adjourn or continue the Final Approval Hearing and related deadlines without further written notice to the Settlement Class. If the Court alters any of those dates or times, the revised dates and times shall be posted on the Settlement Website maintained by the Settlement Administrator. The Court may approve the Settlement, with such modifications as may be agreed upon by the Parties, if appropriate, without further notice to the Settlement Class.

15. **Stay of Litigation**. All proceedings in the Lawsuit, other than those related to approval of the Settlement Agreement, are hereby stayed. Further, any actions brought by Settlement Class Members concerning the Released Claims are hereby enjoined and stayed pending final approval of the Settlement Agreement.

16. **Schedule and Deadlines**. The Court orders the following schedule of dates for the specified actions/further proceedings:

Event	**Date**
Notice Deadline	30 days from entry of Preliminary Approval Order
Defendant will deposit $750,000 into the Settlement Fund	30 days from entry of Preliminary Approval Order as outlined in

	Section 3.1
Class Counsel's motion for attorneys' fees, costs, and Settlement Class Representative Service Awards	No later than 14 days prior to the Opt-Out Deadline and Objection Deadline
Objection Deadline	60 days from Notice Deadline
Opt-Out Deadline	60 days from Notice Deadline
Claim Deadline	90 days from Notice Deadline
Motion for Final Approval	14 days prior to Final Approval Hearing
Final Approval Hearing	**March 1, 2027** No earlier than 120 days from entry of Preliminary Approval Order
Effective Date	5 days after conditions in Section 14.1 have been satisfied, *i.e.*, 35 days from Final Approval Order, assuming no appeals
YRMC to deposit the remaining $1,235,000 into the Settlement Fund	30 days from Effective Date
	From Order Granting Preliminary Approval
Notice Date	+30 days
Defendant will deposit $750,000 into the Qualified Settlement Fund	+21 days
Counsel's Motion for Attorneys' Fees, Reimbursement of Litigation Expenses, and Class Representative Service Awards	+76 days

Objection Date	+90 days
Opt-Out Date	+90 days
Claims Deadline	+120 days
Final Approval Hearing	**March 1, 2027**
Motion for Final Approval	14 days prior to Final Approval Hearing
	From Order Granting Final Approval
Effective Date	+31 days, assuming no appeal has been taken. See definition of Final in the Agreement.
Yuma to deposit the remaining $1,235,000 into the Settlement Fund	+52 days

Dated this 30th day of September, 2026.

Honorable Susan M. Brnovich
United States District Judge