

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF SCHENECTADY**

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**JEANETTE CONIGLIO, individually and on
behalf of all others similarly situated,**

Plaintiff,

-against-

Index No. 2024-1351

CARENET MEDICAL GROUP, P.C.

Defendant.

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**ORDER GRANTING
PLAINTIFF'S [UNOPPOSED] MOTION FOR PRELIMINARY APPROVAL**

This matter came before the Court on Plaintiff Jeanette Coniglio ("Plaintiff" or "Class Representative") Unopposed Motion for Preliminary Approval of Class Settlement Agreement. Plaintiff Jeanette Coniglio, individually and on behalf of the proposed Settlement Class, and Defendant CareNet Medical Group, P.C. ("Defendant" or "CareNet"), have entered into a Settlement Agreement (the "Settlement Agreement") that settles the above-captioned litigation.

Plaintiff brought this class action against CareNet asserting five causes of action: (i) negligence; (ii) breach of implied contract; (iii) unjust enrichment; (iv) violation of N.Y. Gen. Bus. Law § 349 et seq.; and (v) declaratory judgment. NYSCEF Doc. No. 1 ("Compl."). According to the Complaint, from May 9, 2022, to June 4, 2022, CareNet experienced a cybersecurity attack that potentially exposed the personally identifiable information ("PII") and protected health information ("PHI") of its current and former patients (the "Data Security Incident"). Compl. ¶¶20-22. The affected information may have included: names, Social Security numbers, driver's license numbers, financial account information, medical reference numbers, Medicare numbers, email

addresses, and health insurance information. *Id.* CareNet began notifying Plaintiff and the Settlement Class about the Data Security Incident on June 2, 2023. *Id.* ¶24.

Recognizing the benefits of early resolution, the parties began settlement discussions in early February 2024. The Parties have agreed to settle the Lawsuit, pursuant to the terms of the Settlement Agreement, and subject to the approval and determination of the Court as to the fairness, reasonableness, and adequacy of the Settlement, which, if approved, will result in dismissal of the Lawsuit with prejudice.

Having reviewed the Settlement Agreement, including the exhibits attached thereto, and all prior proceedings herein, and for good cause shown, it is hereby ordered that Plaintiff's Unopposed Motion for Preliminary Approval is **GRANTED** as set forth herein.¹

1. **Class Certification for Settlement Purposes Only.** For settlement purposes only and pursuant to N.Y. C.P.L.R. Ch. 8, Art. 9, §§ 901(a)(1)-(5) and 902, the Court conditionally certifies the Settlement Class in this matter defined as follows:

All individuals residing in the United States whose Personal Information was compromised in the Data Breach experienced by CareNet in or around May 2022 to June 2022, including all those who received notice of the breach.

The Court conditionally finds, for settlement purposes only, that: (1) the Settlement Class is so numerous that joinder of all members, whether otherwise required or permitted, is impracticable; (2) there are questions of law or fact common to the Settlement Class which predominate over any questions affecting only individual class members; (3) the claims or defenses of the representative parties are typical of the claims or defenses of the Settlement Class; (4) the representative parties

¹ Unless otherwise indicated, capitalized terms used in this Preliminary Approval Order Granting Unopposed Motion for Preliminary Approval of Class Action Settlement ("Preliminary Approval Order") have the same meaning as in the Settlement Agreement.

will fairly and adequately protect the interests of the Settlement Class; (5) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

2. **Class Representatives and Settlement Class Counsel.** Jeanette Coniglio is hereby provisionally designated and appointed as the Class Representative. The Court provisionally finds that the Class Representative is similarly situated to absent Settlement Class Members and therefore typical of the Class and that she will be an adequate Class Representatives.

The Court finds that the following counsel is experienced and adequate counsel and is hereby provisionally designated as Settlement Class Counsel: James Bilsborrow of Weitz & Luxenberg, PC and Cassandra P. Miller of Strauss Borrelli PLLP.

3. **Preliminary Settlement Approval.** Upon preliminary review, the Court concludes and finds that the proposed Settlement is fair, reasonable, adequate, and in the best interests of the Settlement Class to warrant providing Notice of the Settlement to the Settlement Class and accordingly, is preliminarily approved.

4. **Jurisdiction.** The Court concludes that it has subject matter jurisdiction and personal jurisdiction over the Parties before it for the purposes of the Settlement. Additionally, venue is proper in this Court.

5. **Final Approval Hearing.** A Final Approval Hearing shall be held on June 24, 2025 at 1:30 o'clock [a.m./p.m.] in the Supreme Court of the State of New York, County of Schenectady, 612 State Street, Schenectady, NY 12305, to determine, among other things, whether: (a) this matter should be finally certified as a class action for settlement purposes pursuant to N.Y. C.P.L.R. Ch. 8, Art. 9, §§ 901(a)(1)-(5); (b) the Settlement Agreement between the Parties should be finally approved; (c) the Settlement and Settlement Agreement should be finally approved as fair, reasonable, adequate, and in the best interests of the

Settlement Class pursuant to N.Y. C.P.L.R. Ch. 8, Art. 9, § 908; (d) the action should be dismissed with prejudice pursuant to the terms of the Settlement Agreement; (e) Settlement Class Members (except those who have timely and valid requests for exclusion from the Settlement) should be bound by the releases set forth in the Settlement Agreement; (f) Plaintiff's Motion for Attorneys' Fees, Costs, and Service Awards should be approved; (g) James Bilsborrow of Weitz & Luxenberg, PC and Cassandra P. Miller of Strauss Borrelli PLLP, should be appointed as Settlement Class Counsel; and (h) Jeanette Coniglio should be appointed as Class Representative.

Plaintiff's Motion for Final Approval of the Class Action Settlement shall be filed with the Court at least **fourteen (14) Days prior to the date of the Final Approval Hearing**, and Plaintiff's Motion for Attorneys' Fees, Costs, and Service Awards shall be filed with the Court at least **fourteen (14) Days prior to the deadline for Settlement Class Members to opt-out of or object to the Settlement**.

6. **Administration.** The Court appoints RG/2 Claims Administration as the Settlement Administrator, with responsibility for the Notice program and claims administration and to fulfill the duties of the Settlement Administrator set forth in the Settlement Agreement. CareNet shall pay the costs of Notice and Administrative Expenses, including, but not limited to, the Settlement Administrator's fees, as well as the costs associated with the provision of notice to the Settlement Class Members and administration of the Settlement. CareNet shall disclose the necessary names and mailing addresses to the Settlement Administrator for purposes of the Notice program and claims administration and the Settlement Administrator shall maintain any names and mailing addresses obtained from CareNet in the course of the class notification and claims administration process securely and confidentially and shall use such information solely for purposes of effecting class Notice and claims administration under the Settlement Agreement.

Other than such disclosures to Settlement Class Counsel as are expressly authorized by the Settlement Agreement, the Settlement Administrator shall not disclose any PII to any persons or entities not also bound to the confidentiality provisions of the Settlement Administrator's engagement letter with CareNet without an additional court order to do so, such disclosures, if any, to be made solely as needed to perform the obligations required under the Settlement Agreement. Such authorized disclosures to Settlement Class Counsel are approved by the Court, provided Settlement Class Counsel shall maintain such information securely and confidentially and shall use such information solely for purposes of complying with the Settlement Agreement. Once the Settlement Administrator's class distributions and settlement administrative duties are complete, the Settlement Administrator shall, upon ten (10) days' notice to all counsel of record, securely destroy all PII obtained from CareNet and all copies, abstracts, compilations, summaries, and any other format reproducing or capturing any of such information.

7. **Notice to the Class.** The proposed Notice program set forth in the Settlement Agreement, as modified by the Court to include email and postcard notice to Class Members where possible, and including the Short Form Notice, the Long Form Notice, and the Claim Form, which are attached to the Settlement Agreement as **Exhibits 1-3**, respectively (the "Modified Notice Program"), satisfy the requirements of N.Y. C.P.L.R. Ch. 8, Art. 9, §§ 904 and 908 and constitute reasonable notice of the commencement of the action and are hereby approved. Non-material modifications to these exhibits may be made without further order of the Court. The Settlement Administrator and CareNet are directed to perform the Modified Notice Program in conformance with the Settlement Agreement and this Order.

Within **thirty (30) days from the date of this Order** (the "Notice Deadline"), the Settlement Administrator and CareNet shall initiate the Modified Notice Program, which shall

include notice by email and postcard where possible, and shall otherwise be completed in the manner set forth in Section 4 of the Settlement Agreement.

8. **Findings and Conclusions Concerning Notice.** The Court finds that the form, content, and method of giving notice to the Settlement Class as described in Paragraph 7 of this Preliminary Approval Order and the Settlement Agreement (including the exhibits thereto) constitutes reasonable notice of the commencement of the action to the Settlement Class pursuant to N.Y. C.P.L.R. Ch. 8, Art. 9, §§ 904 and 908. Specifically, the Notice is written in plain language, uses simple terminology, and is designed to be readily understandable by Settlement Class Members. Moreover, the Notice is clear and straightforward: it apprises Settlement Class Members of the pendency of the Lawsuit; describes the essential terms of the Settlement; defines the Settlement Class; clearly describes the options available to the Settlement Class and the deadlines for taking action; explains procedures for making claims, objections, or requesting exclusion; provides information that will enable Settlement Class Members to calculate their individual recovery; discloses the Plaintiff's requested attorneys' fees, costs, and expenses, and Class Representative's requested Service Award; describes the date, time, and place of the Final Approval Hearing; and prominently displays the address and phone number of proposed Settlement Class Counsel. Dissemination via email, or, if a valid email address is not available, postcard through First Class U.S. mail, combined with publishing on the Settlement Website, is designed to be the best reasonable notice of the commence of the action to reach the Settlement Class Members under the circumstances. The claims administrator will also use targeted media publications to provide Notice to the Settlement Class Members for whom the parties do not have contact information. The Court concludes that the Notice program meets all applicable requirements of law pursuant to N.Y. C.P.L.R. Ch. 8, Art. 9, §§ 904 and 908.

9. **Exclusion from Class.** Any Settlement Class Member who wishes to be excluded from the Settlement Class must mail a written notification of the intent to exclude himself or herself from the Settlement Class to the Settlement Administrator at the address provided in the Notice, postmarked no later than sixty (60) Days from the Notice Deadline (the “Opt-Out Deadline”). The written notification must include all of the information set forth in Paragraph 5.56 of the Settlement Agreement, as follows:

- (i) state the name of this proceeding;
- (ii) state the individual’s full name, current address;
- (iii) contain the Settlement Class Member’s personal and original signature (or the original signature of a person previously authorized by law, such as a trustee, guardian, or person acting under a power of attorney to act on behalf of the Settlement Class Member with respect to a claim or right, such as those in the Lawsuit); and
- (iv) contain the words “Request for Exclusion” or a comparable statement that the individual does not wish to participate in the Settlement at the top of the communication.

The Settlement Administrator shall provide the Parties with copies of all completed opt-out notifications, and a final list of all who have timely and validly excluded themselves from the Settlement Class, which Settlement Class Counsel may move to file under seal with the Court, no later than **seven (7) Days after the last day of the Opt-Out Deadline.**

Any Settlement Class Member who does not timely and validly exclude herself or himself from the Settlement shall be bound by the terms of the Settlement Agreement. If a Final Order and Judgment is entered, any Settlement Class Member who has not submitted a timely, valid written notice of exclusion from the Settlement Class shall be bound by all proceedings, orders, and judgments in this matter, including, but not limited to, the Release set forth in the Final Order and Judgment, including Settlement Class Members who have previously initiated or who subsequently initiate any litigation against any or all of the Released Parties relating to the claims

and transactions released in the Settlement Agreement. All Settlement Class Members who submit valid and timely notices of exclusion from the Settlement Class shall not be entitled to receive any benefits of the Settlement.

10. **Objections.** A Settlement Class Member who complies with the requirements of this Paragraph may object to the Settlement and to Plaintiff's Motion for Attorneys' Fees, Costs, and Service Award for the Class Representative.

No Settlement Class Member shall be heard, and no papers, briefs, pleadings, or other documents submitted by any Settlement Class Member shall be received and considered by the Court, unless the objection is: (a) filed with the Clerk of Court by the Objection Deadline as set forth in the Settlement Agreement, and (b) sent concurrently to the Settlement Administrator postmarked or emailed no later than the Objection Deadline set forth in the Settlement Agreement, and as specified in the Notice. For an objection to be considered by the Court, the objection must also include all of the information set forth in Paragraph 5.57 of the Settlement Agreement, which is as follows:

- (i) the name of these proceedings;
- (ii) the Settlement Class Member's full name, current mailing address, and telephone number;
- (iii) a statement that states with specificity the grounds for the objection, as well as any documents supporting the objection;
- (iv) a statement as to whether the objection applies only to the objector, to a specific subset of the Settlement Class, or to the entire Settlement Class;
- (v) the identity of any attorneys representing the objector;
- (vi) a statement regarding whether the Settlement Class Member (or his/her attorney) intends to appear at the Final Approval Hearing;

- (vii) a list of all other matters in which the objecting Settlement Class Member and/or his/her attorney has lodged an objection to a class action settlement; and,
- (viii) the signature of the Settlement Class Member or the Settlement Class Member's attorney.

Any Settlement Class Member who fails to comply with the provisions in this Paragraph may waive and forfeit any and all rights he or she may have to object, and shall be bound by all the terms of the Settlement Agreement, this Preliminary Approval Order, and by all proceedings, orders, and judgments in this matter, including, but not limited to, the Release in the Settlement Agreement, if the Final Order and Judgment is entered.

Any Settlement Class Member, including a Settlement Class Member who files and serves a written objection, as described above, may appear at the Final Approval Hearing, either in person or through counsel hired at the Settlement Class Member's expense, to object to or comment on the fairness, reasonableness, or adequacy of the Settlement, or Plaintiffs' Attorneys' Fees, Costs, Expenses, and/or Service Awards Requests for Class Representatives.

If the Final Order and Judgment is entered, any Settlement Class Member who fails to object in the manner prescribed herein shall be deemed to have waived his or her objections and shall be forever barred from making any such objections in this action or in any other proceeding or from challenging or opposing, or seeking to reverse, vacate, or modify any approval of the Settlement Agreement, and Plaintiff's Attorneys' Fees, Costs, Expenses, and/or Service Awards Requests for the Class Representative.

11. **Claims Process and Distribution and Allocation Plan.** The Class Representative and CareNet have created a process for assessing and determining the validity and value of claims and a payment methodology to Settlement Class Members who submit a timely, valid Claim Form. The Court preliminarily approves the plan for remuneration described in Section 3 of the

Settlement Agreement and directs that the Settlement Administrator effectuate the distribution of Settlement consideration according to the terms of the Settlement Agreement, should the Settlement be finally approved.

Settlement Class Members who qualify for and wish to submit a Claim Form shall do so in accordance with the requirements 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 Settlement Agreement, the Release included in that Settlement Agreement, and the Final Order and Judgment.

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 as of the date of the execution of the Settlement Agreement, if the Settlement is not finally approved by the Court or is terminated in accordance with the Settlement Agreement. In such event, the Settlement and Settlement Agreement shall become null and void and be of no further force and effect, and neither the Settlement Agreement nor the Court's orders, including this Preliminary Approval Order, relating to the Settlement shall be used or referred to for any purpose whatsoever.

13. **Use of Order.** This Preliminary Approval Order shall be of no force or effect if a Final 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 CareNet of any fault, wrongdoing, breach, liability, or the certifiability of 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 claim lacks merit or that the relief requested is inappropriate, improper, unavailable, or as a waiver by any Party of any defense or claim he, she, or it may have in this Lawsuit or in any other lawsuit.

14. **Stay of Proceedings.** Except as necessary to effectuate this Preliminary Approval Order, all proceedings and deadlines in this matter are stayed and suspended pending the Final Approval Hearing and issuance of the Final Order and Judgment, or until such further order of this Court.

15. **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.

16. **Summary of Deadlines.** The preliminarily approved Settlement shall be administered according to its terms pending the Final Approval Hearing. Deadlines arising under the Settlement Agreement and this Preliminary Approval Order include, but are not limited to:

EVENT	DATE
Notice Deadline	30 days after Preliminary Approval Granted
Deadline for Plaintiffs to File Motion for Attorneys' Fees, Costs, and Service Awards	14 days prior to Opt-Out and Objection Dates
Deadline for Settlement Class Members to Opt-Out of Settlement	60 days after Notice Deadline
Deadline for Settlement Class Members to Object to Settlement	60 days after Notice Deadline

Deadline for Class Members to Submit Claim Forms (Electronically or Postmarked by Mail)	90 days after Notice Deadline
Deadline for Plaintiffs to File Motion for Final Approval of Settlement	14 days before Final Approval Hearing
Final Fairness Hearing	Not less than 120 days after Preliminary Approval <u>June 24</u> , 202 <u>5</u>

IT IS SO ORDERED this 4 day of February, 2025.



Thomas D. Buchanan
Judge

Addendum:

The undersigned Parties agree to the [Proposed] Order Granting Unopposed Motion for Preliminary Approval of Class Action Settlement on _____, 202__.

Respectfully submitted,

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