

UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND

WALTER BLACK III, KEITH BARR, WAYNE
BEST, and DAVID FANT SR., individually and
on behalf of all others similarly situated,

Plaintiffs,

v.

USAA GENERAL INDEMNITY COMPANY,
GARRISON PROPERTY AND CASUALTY
INSURANCE COMPANY, UNITED SERVICES
AUTOMOBILE ASSOCIATION, USAA
CASUALTY INSURANCE COMPANY,

Defendants.

Case No. 8:21-CV-01581-LKG

**DECLARATION OF JONATHAN P. KAGAN IN SUPPORT OF PLAINTIFFS’
UNOPPOSED MOTION FOR AWARD OF ATTORNEYS’ FEES AND COSTS AND
SERVICE AWARDS**

I, Jonathan P. Kagan, declare under penalty of perjury of the laws of the United States as follows:

1. I am a managing partner at the law firm Kagan Stern Marinello & Beard LLC (“Kagan Stern”), and the former managing partner of Kagan Law Group, LLC (Kagan Law Group changed its name to Kagan Stern Marinello & Beard on or about March 1, 2019). I am co-counsel of record for Plaintiffs in the above-captioned case. I submit this declaration in support of Plaintiffs’ Motion for an Award of Attorneys’ Fees, Costs, and Service Awards.

2. On December 16, 2025, this Court preliminary appointed Kagan Stern, along with my co-counsel Tycko & Zavareei LLP and Timoney Knox, LLP, as Class Counsel for the Settlement Class.

3. I make this declaration based on my personal knowledge and the records of my law firm. If called upon to do so under oath, I could and would testify competently to the matters set forth herein.

4. I was first admitted to practice law in the State of Maryland in 1993. I am also admitted to practice in the United States District Court for the District of Maryland and the United States Court of Appeals for the Fourth Circuit. I have been involved in the private practice of law for over 32 years with a concentration in commercial, employment, and other general litigation in Maryland in both state and federal courts.

5. I graduated from the University of Maryland Francis King Carey School of Law in May 1993. Following graduation from law school, I clerked for Judge Robert H. Heller, Jr., in the Circuit Court of Maryland for Anne Arundel County from on or about August 1993 through September 1994. I am a past-President of the Anne Arundel County Bar Association, and past-Chair of the Litigation Section of the Maryland State Bar Association.

6. Over the past nearly 32 years, I have gained substantial experience handling complex civil litigation matters. My practice includes litigating complex civil disputes, including those in the business/corporate context, other types of contract disputes, employment, and real estate. My litigation practice includes matters throughout the courts of Maryland, the United States District Court for the District of Maryland, the United States Court of Appeals for the Fourth Circuit, and I have been admitted *pro hac vice* in numerous states across the country.

7. As set forth in the Joint Declaration of Proposed Settlement Class Counsel in Support of Plaintiffs' Motion for Preliminary Approval, while this is my first time being named as settlement class counsel, I have taken over 100 cases to trial, including jury trials that have lasted several weeks, and have extensive experience in cases involving complex civil disputes with

financial institutions and insurance companies as parties. *See* ECF No. 110-2 at ¶ 37 (collecting cases).

8. As set forth in the Joint Declaration of Proposed Settlement Class Counsel in Support of Plaintiffs' Motion for Preliminary Approval, my team members at Kagan Stern Marinello & Beard likewise have significant experience in complex business litigation, including cases involving financial institutions. *See, e.g.*, ECF No. 110-2 at ¶ 38.

9. Kagan Stern has maintained contemporaneous time records in this case. Since May 2020, myself (as a partner) and associates at Kagan Stern spent 164.7 hours litigating this case. (*See Exhibit 1* attached). In addition, paralegals spent 1.1 hours providing necessary case support. In my opinion, the time spent by attorneys and staff of Kagan Stern was reasonable and necessary. Indeed, by prosecuting this case purely on a contingency basis and not being paid by the hour, Kagan Stern attorneys and staff worked efficiently and avoided unnecessary work.

10. The total number of hours is based only on the hours reasonably expended to achieve an excellent result for the Class. Our firm coordinated our efforts in the litigation of this case with our co-counsel to ensure that there was no duplicative or unnecessary work. Because our firm is experienced in litigating actions of this type, we were able to efficiently divide tasks based on expertise.

11. Beginning in 2020, along with co-counsel at Timothy Knox, Kagan Stern team members investigated the publicly available information concerning the Maryland Insurance Administration's (MIA) market conduct investigation into the Late Fees charged by Defendants, and investigated the facts underlying the claims and liability in this action. This investigation included review of the Consent Order and underlying background information made available via a Public Information Act request as well as review of the applicable Code of Maryland

Regulations. We communicated with individuals at the MIA regarding a Public Information Act request to ensure the proper documents were supplied and obtained. We reviewed and analyzed other MIA Consent Orders. We researched applicable causes of action along with the application of the Code of Maryland Regulations to the language of the Consent Order. The substantial case vetting including the research and document review described herein, was followed by the drafting of the Complaint that was filed on or about June 25, 2021.

12. Over nearly four years of litigation, we assisted in defending three rounds of motion to dismiss briefing. During the pendency of Defendants' Initial motion to dismiss, Judge Messitte *sua sponte* Issued a Letter Order staying this Action pending confirmation that the MIA's administrative jurisdiction had been exhausted. ECF No. 47. Class Counsel researched the MIA's applicable procedures and drafted an administrative complaint on behalf of Plaintiff Black and others similarly situated. Following an exchange of letters with the MIA, it was confirmed that the MIA had exhausted its jurisdiction, so the Parties jointly moved to lift the stay and Defendants filed a renewed motion to dismiss that still included complicated arguments regarding concurrent jurisdiction and contractual privity, amongst others. I assisted in the preparation and attended the hearing on February 28, 2024, along with other counsel of record.

13. Following decision on Defendants' second motion to dismiss, Class Counsel ultimately retained an expert with extensive experience in financial and forensic investigation, including evaluating multiple damages models relating to financial institutions. This expert advised Plaintiffs' counsel as to the range of possible recoveries for the claims asserted in this action, and the expert reports on damages were reviewed by our firm.

14. The Parties likewise began discovery following the decision on the second motion to dismiss. Our firm with Co-Class Counsel exchanged and reviewed of written discovery requests

and responses, document productions, and met and conferred with opposing counsel regarding the same. I assisted and attended the depositions of USAA witnesses, Brett Shudak and Yolanda Ridriguez.

15. After concluding substantial discovery, the Parties prepared substantive mediation statements including expert calculations which I collaborated on with Co-Class Counsel. The Parties then participated in a full day mediation before the Honorable Benson E. Legg (Ret) which I participated. While the Parties did not reach an agreement to settle on the date of mediation, they continued working with Judge Legg by providing further written submissions and meeting with him regarding their positions.

16. During this time, Plaintiff amended his Complaint to add three additional Plaintiffs: Keith Barr, Wayne Best, and David Fant, Sr. These individuals contracted with the Defendant entities with whom Plaintiff Black was not in contractual privity. Defendants moved to dismiss the First Amended Complaint.

17. Prior to the Court's decision on Defendants' third motion to dismiss, the Parties accepted a settlement recommendation by Judge Legg and notified the Court of the same on June 4, 2025.

18. Class Counsel drafted the Settlement Agreement, its exhibits and notice documents, coordinated with the Settlement Administrator, and drafted the preliminary approval documents. Attorneys from my firm assisted with these efforts.

19. Following the filing of the preliminary approval motion, the Court held a hearing on November 19, 2025. Following the hearing, Judge Griggsby issued an order granting preliminary approval of the proposed settlement. I participated in this conference.

20. Class Counsel likewise reviewed and assisted in preparing this Motion for Attorneys’ Fees and Service Awards and Motion for Final Approval of the Proposed Settlement.

21. The hours and rates of the timekeepers at Kagan Stern who worked on this action from 2020 to present are outlined in **Exhibit 1** attached. Under Ordinary Lodestar, our 2025 prevailing market hourly rates for our firm in Anne Arundel County, Maryland are reflected in the table below for standard business litigation matters. Kagan Stern handles certain individual plaintiff cases on a contingency basis, where the percentage of any individual recovery negotiated depends on the particulars of the matter (typically between 33 1/3% to 40%). The Local Rules of this District, however, recognize the Fitzpatrick Matrix as a useful guideline for hourly rates which are applicable reasonable hourly rates for our firm for complex class action contingency litigation and comparable to the reasonable rates of my Class Action Co-Counsel in this matter. Thus, while our firm ordinary rates in standard litigation are lower than Fitzpatrick, the rates set forth in the Fitzpatrick Matrix are fair and reasonable for complex class action contingency litigation. Calculations provided herein are based on the most recent version of the matrix for 2025. Calculations for years of experience are based on the years each attorney passed the bar. The below table contains the lodestar and a Fitzpatrick comparison for each timekeeper.

Timekeeper	Professional status/ Law School Grad Yr.	Lodestar Hours x Hourly Rate	Fitzpatrick Matrix Lodestar (2025)
Jonathan Kagan	Partner -1993	107.4 x \$550.00 \$55,070	107.4 \$927.00 \$99,559.80

Heather Yeung	Associate 1 – 2011	28 x \$350.00 \$9,800	28 x \$707.00 \$19,796
Meagan Borgerson	Associate 2 – 2013	8.7 x \$425.00 \$3,697.50	8.7 x \$675.00 \$8,526
Veronica Mina	Associate 3 – 2021	3.6 x \$350.00 \$1,260	3.6 x \$581.00 \$1,091.60
Paralegals 1	Paralegal / NA	1.1 x \$150.00 \$165.00	1.1 x \$255.00 \$280.50

TOTALS: \$73,992.50 **\$130,253.80**

22. The reasonableness of the hourly rates set forth above sought by my firm, the other Class Counsel law firms, and the other Plaintiffs' Firms are supported by the rates charged by other firms with similar experience and expertise in the area of complex and class action litigation.

23. Kagan Stern team spent a total of 170.7 hours on this case which totaled fees of \$130,253.80, using the Fitzpatrick matrix as set forth in the table in Paragraph 21. (See also **Exhibit 1** attached). Further, hours for all Kagan Stern timekeepers by litigation phase are set forth in **Exhibit 1**.

24. My firm shared some of the costs in this litigation — taking a substantial risk on behalf of putative class members to do so. Below is an itemized list of the unreimbursed expenses that the firm incurred in furtherance of prosecuting this litigation. These expenses are reflected in the firm's books and records that are regularly maintained in the ordinary course of the firm's

business, and are based on the receipts and other records maintained by the firm. Our firm's total expenses were \$1,641.65, per the table below:

Expense Category	Amount Incurred
Copying/ Printing	0.00
Court Fees and PACER (Filing fees, pro hac vice applications)	\$962.00
Legal Research	\$512.12
Postage / Courier	\$187.75
eDiscovery	0.00
Travel (parking)	\$21.95
Expert and Consultant Fees	0.00
Attending trial	n/a
Mediation	0.00
Misc.	0.00
Total	\$1,641.65

25. In my opinion, the time expended and expenses incurred in prosecuting this action were reasonable and necessary for the diligent litigation and fair resolution of this matter. Moreover, the hours noted above does not include all of the time to be devoted to preparing for and appearing at the final approval hearing or dealing with post-hearing matters.

26. With respect to Plaintiff Black, he has been actively engaged in the litigation for nearly five years. Among other things, Plaintiff Black assisted counsel with gathering applicable

statements, providing facts material to assist us in prosecuting the case, staying informed on developments in the case despite the procedural complexities, attended the hearing on Defendants' Second Motion to Dismiss, and by responding to written discovery requests. Plaintiff Black also reviewed numerous court documents and authorized their filings, regularly requested and received status updates concerning the litigation and settlement negotiations, and he considered various proposed terms of the settlement and ultimately authorized Class Counsel to accept Defendants' offer of settlement.

27. With respect to Plaintiffs Barr, Best, and Fant, all three Plaintiffs have devoted significant time to prosecuting the case, including by assisting counsel with gathering applicable statements, providing facts material to assist us in prosecuting the case, and by staying informed on developments in the case and by responding to written discovery requests. Plaintiffs Barr, Best, and Fant were likewise prepared to respond to written discovery requests. All three Plaintiffs reviewed court documents and authorized their filings, regularly requested and received status updates concerning the litigation and settlement negotiations, and he considered various proposed terms of the settlement and ultimately authorized Class Counsel to accept Defendants' offer of settlement.

28. Class Counsel have not received any objection to the proposed Settlement from any Class Member.

29. Class Counsel believe that Plaintiffs' claims are strong, but recognize that those claims are subject to potential defenses and counterarguments.

30. In considering whether to recommend a settlement to Plaintiffs, Class Counsel primarily considered the strengths and weaknesses of the case without regard to Defendants' ability to pay the full amount of a greater judgment.

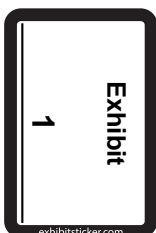
31. Class Counsel are unaware of any claims related to those asserted by Plaintiffs in this case that have been asserted by other classes or other claimants.

THE FOREGOING IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. EXECUTED ON MARCH 16, 2026 IN ANNAPOLIS, MARYLAND.

Respectfully submitted,

/s/Jonathan Kagan
Jonathan Kagan

Black v. USAA, et al, Case No. 8:21-cv-01581			
Kagan Stern Marinello & Beard, LLC - Breakdown by Litigation Phase			
Litigation Phase		Total Hours	Fees Per Phase (Fitzpatrick)
1. Case development, background investigation and case administration		53.1	\$45,651.20
2. Pleadings		10.9	\$8,964.80
3. Interrogatories, document production, and written discovery		17.8	\$16,412.70
4. Depositions		11.7	\$10,845.90
5. Motions Practice		47.7	\$21,841.20
6. Attending Court Hearings		3	\$2,781
7. Trial preparation and post-trial motions		N/A	
8. Attending trial		N/A	
9. ADR		16.2	\$15,017.40
10. Fee Petition Preparation		9.2	\$8,459.20
	Total	169.6	\$129,973.40



Black v. USAA, et al, Case No. 8:21-cv-01581			
Kagan Stern Marinello & Beard, LLC - Breakdown by Litigation Phase			
Litigation Phase		Total Hours	Fees Per Phase (Lodestar)
1. Case development, background investigation and case administration		53.1	\$25,277.50
2. Pleadings		10.9	\$4,872.50
3. Interrogatories, document production, and written discovery		17.8	\$9,692.50
4. Depositions		11.7	\$6,435.00
5. Motions Practice		47.7	\$11,970.00
6. Attending Court Hearings		3	\$1,650.00
7. Trial preparation and post-trial motions			N/A
8. Attending trial			N/A
9. ADR		16.2	\$8,910.00
10. Fee Petition Preparation		9.2	\$5,020.00
	Total	169.6	\$73,827.50

Black v. USAA, et al, Case No. 8:21-cv-01581						
Kagan Stern Marinello & Beard, LLC - Breakdown - Partner 1 (Jonathan Kagan) (Partner)						
Litigation Phase	Total Hours	Rate (Lodestar)	Fees (Lodestar)	Rate (Fitzpatrick)	Fees (Fitzpatrick)	
1. Case development, background investigation and case administration	30.8	550	\$16,940	927	28551.6	
2. Pleadings	5.1	550	\$2,805	927	4727.7	
3. Interrogatories, document production, and written discovery	17.2	550	\$9,460	927	15944.4	
4. Depositions	11.7	550	\$6,435	927	10845.9	
5. Motions Practice	14.4	550	\$7,920	927	13348.8	
6. Attending Court Hearings	3	550	\$1,650	927	2781	
7. Trial preparation and post-trial motions	n/a					
8. Attending trial	n/a					
9. ADR	16.2	550	\$8,910	927	15017.4	
10. Fee Petition Preparation	9	550	\$4,950	927	8343	
Total	107.4		\$59,070		99559.8	

Black v. USAA, et al, Case No. 8:21-cv-01581						
Kagan Stern Marinello & Beard, LLC - Breakdown - Associate 1 (Heather K. Yeung)						
Litigation Phase		Total Hours	Rate (Lodestar)	Fees (Lodestar)	Rate (Fitzpatrick)	Fees (Fitzpatrick)
1. Case development, background investigation and case administration		16.5	350	\$5,775	707	11665.5
2. Pleadings		5.3	350	\$1,855	707	3747.1
3. Interrogatories, document production, and written discovery		0	350	\$0	707	0
4. Depositions		0	350	\$0		0
5. Motions Practice		6.2	350	\$2,170	707	4383.4
6. Attending Court Hearings		0	350	\$0	707	0
7. Trial preparation and post-trial motions		n/a				
8. Attending trial		n/a				
9. ADR		0	350	\$0	707	0
10. Fee Petition Preparation		0	350	\$0	707	0
	Total	28		\$9,800		19796

Black v. USAA, et al, Case No. 8:21-cv-01581						
Kagan Stern Marinello & Beard, LLC - Breakdown - Associate 2 (Meagan C. Borgerson)						
Litigation Phase		Total Hours	Rate (Lodestar)	Fees (Lodestar)	Rate (Fitzpatrick)	Fees (Fitzpatrick)
1. Case development, background investigation and case administration		4.3	\$425	\$1,827.50	980	4214
2. Pleadings		0.5	\$425	\$212.50	980	490
3. Interrogatories, document production, and written discovery		0.3	\$425	\$127.50	980	294
4. Depositions		0	\$425	\$0.00	980	0
5. Motions Practice		3.6	\$425	\$1,530.00	980	3528
6. Attending Court Hearings		0	\$425	\$0.00	980	0
7. Trial preparation and post-trial motions		n/a				
8. Attending trial		n/a				
9. ADR		0	\$425	\$0.00	980	0
10. Fee Petition Preparation		0	\$425	\$0.00	980	0
Total		8.7		\$3,697.50		8526

Black v. USAA, et al, Case No. 8:21-cv-01581						
Kagan Stern Marinello & Beard, LLC - Breakdown - Associate 3 (Veronica J. Mina)						
Litigation Phase		Total Hours	Rate (Lodestar)	Fees (Lodestar)	Rate (Fitzpatrick)	Fees (Fitzpatrick)
1. Case development, background investigation and case administration		2.1	\$350	\$735	581	1220.1
2. Pleadings		0	\$350	\$0	581	0
3. Interrogatories, document production, and written discovery		0.3	\$350	\$105	581	174.3
4. Depositions		0	\$350	\$0	581	0
5. Motions Practice		1	\$350	\$350	581	581
6. Attending Court Hearings		0	\$350	\$0	581	0
7. Trial preparation and post-trial motions		n/a				
8. Attending trial		n/a				
9. ADR		0	\$350	\$0	581	0
10. Fee Petition Preparation		0.2	\$350	\$70	581	116.2
	Total	3.6		\$1,260		2091.6