UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

In re LastPass Data Security Incident Litigation	**Case No.: 1:22-CV-12047-PBS**

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

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INTRODUCTION

Plaintiffs,[1] individually and on behalf of all others similarly situated, respectfully move this Court pursuant to Rule 23(e) of the Federal Rules of Civil Procedure ("Rule 23(e)") for final approval of the Executed Class Action Settlement Agreement and Release ("Settlement" or "Settlement Agreement") with Defendant LastPass US LP ("LastPass" or "Defendant") and non-defendants GoTo Technologies USA, LLC ("GoTo"), Francisco Partners Management, L.P., Francisco Partners Consulting, LLC, and Elliott Investment Management L.P.[2]

BACKGROUND AND PROCEDURAL HISTORY

Plaintiffs hereby incorporate by reference the Factual Background and Procedural History from Sections I.A. through I.C. of their Memorandum of Law in Support of Plaintiffs' Unopposed Motion for Preliminary Approval of Proposed Class Action Settlement as if fully set forth herein. Pls.' Mem. in Supp. of Pls.' Prelim. Approval Mot. 5-7, Dkt. No. 304.

I. THE SETTLEMENT AGREEMENT PROVIDES SIGNIFICANT BENEFITS TO THE SETTLEMENT CLASS MEMBERS AND SHOULD RECEIVE FINAL APPROVAL

Pursuant to the terms of the Settlement Agreement, in order to resolve the claims of those whose personal information, login credentials and passwords, or other information were extracted in the Incident, LastPass has agreed to: (1) pay $8,200,000 into a non-reversionary Settlement Fund for the benefit of paying (and California resident) customers of LastPass; (2) provide non-paying customers with free access to premium LastPass accounts for six-months; and (3) fund a

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[1] Plaintiffs are Amy Doermann, Ayana Looney, Dan LeFebvre, David Andrew, Erik Brook, Glenn Mulvenna, Hui Li, Nathan Goldstein, Noah Bunag, R. Andre Klein, Sarb Dhesi, Steven Carter, Debt Cleanse Group Legal Services LLC, and Hustle N Flow Ventures LLC ("Plaintiffs" or "Settlement Class Representatives").

[2] Unless otherwise defined herein, all capitalized terms have the same definitions as those set forth in the Settlement Agreement previously filed with the Court on December 23, 2025 (Class Counsel Decl. in Supp. of Pls.' Prelim. Approval Mot. Ex. 1, Dkt. No. 305-1 ("Settlement Agreement")).

pool of up to $16,250,000 to pay claims of up to $900,000 in crypto currency losses, as determined by an independent special master to be appointed pursuant to separate order from the Court ("Crypto Pool"). *See* Settlement Agreement, §§ 1-11, 60, 68-70, 76.

A. Relief to the Settlement Class.

The Settlement Agreement provides a straightforward claims process through which Settlement Class Members may claim non-exclusive forms of relief to compensate for various injuries and documented losses. First, eligible Settlement Class Members will receive In-Kind Relief, including a complimentary upgrade to a Consumer Premium Account for Consumer Free Account users and Dark Web Monitoring services for all users. *Id.* § 76(a). Second, Settlement Class Members with a Consumer Premium Account, Consumer Family Account, or Business Account and Vault Content may submit a claim for a $25 statutory payment. *Id.* § 76(b)(i). Third, any California residents, regardless of whether they had a paid account, who meet the criteria specified in the Settlement Agreement, will receive an additional $100 in statutory damages under the California Consumer Privacy Act ("CCPA"). *Id.* § 76(b)(ii). Fourth, Settlement Class Members may submit a claim for reimbursement of documented monetary losses which are fairly traceable to the Incident, including up to $300 for documented ordinary losses and up to $10,000 for documented extraordinary losses. *Id.* § 76(b)(iii). Reimbursements for out-of-pocket losses are intended to provide relief for costs commonly incurred due to data breaches, including unreimbursed fraud, telephone or cell phone charges, internet usage charges, credit monitoring, costs of credit reports, and bank or financial institution charges. *See* Declaration of Class Counsel in Support of Plaintiffs' Motion for Final Approval ("Class Counsel Decl.") ¶¶ 28, 48.

The Settlement Fund will be used to pay for: (1) Valid Claims for Statutory Payments, CCPA statutory damages, Ordinary Loss Relief, and Extraordinary Loss Relief submitted by

Settlement Class Members; (2) the costs of Notice and Settlement administration; (3) any Service Awards for the Settlement Class Representatives approved by the Court; and (4) any attorneys' fees and expenses approved by the Court. Settlement Agreement, §§ 60, 76, 78. To the extent the Settlement Fund is insufficient, the Settlement Administrator will reduce all Valid Claims on a *pro rata* basis. Settlement Agreement § 78. If, after payment for all Valid Claims has been sent, the time for cashing or otherwise negotiating the payments has expired, and any portion of the Settlement Fund remains and is not economic to redistribute to Settlement Class Members, the remaining funds will be distributed to a *cy pres* recipient selected by Settlement Class Counsel and approved by the Court. *Id*. § 80. No portion of the Settlement Fund will revert to LastPass.

In addition, the Settlement Agreement provides for the establishment of a cryptocurrency claims process through which Settlement Class Members who are Cryptocurrency Claimants may submit a claim for reimbursement of up to $900,000 in cryptocurrency losses, up to an aggregate maximum of $16.25 million, which will be adjudicated by a Court-appointed special master. *Id.* § 76(c). The Crypto Pool is a claims-made fund, and thus Valid Claims are not subject to a *pro rata* increase. *Id*. § 79. All monetary benefits are distributed on a *pro rata* basis after deduction of Settlement Administration Costs (including Special Master fees and expenses), Service Awards, and Settlement Class Counsel's approved fees and expenses. *Id.* §§ 78, 79.

Upon the Effective Date of the Settlement and in exchange for the monetary and non-monetary benefits provided under the Settlement Agreement, Plaintiffs and Settlement Class Members shall have been deemed to have released any and all claims against LastPass and the Released Parties arising from or in any way related to the Data Breach.[3] *Id*. § 114.

[3] As reflected in the [proposed] Final Approval Order, the definition of Settlement Class Members includes Business Account holders, but does not include current or former employees of Business Account holders who were given access to LastPass vaults by their employers. The Settlement,

B. Results of the Settlement Administration and Notice Plan.

At the Court's direction via the Preliminary Approval Order, the Parties and the Settlement Administrator have been administering, and continue to administer the Notice Program. *Id.* § 101; Prelim. Approval Order ¶ 17, Dkt. No. 311. With an 82% direct reach to the identifiable Settlement Class Members, the Notice Program here was very effective and constituted the best notice practicable under the circumstances. Fed. R. Civ. P. 23(c)(2); Class Counsel Decl. ¶ 60.

Following the Court's entry of preliminary approval, on February 2, 2026 (Prelim. Approval Order, Dkt. No. 311), LastPass provided the Settlement Administrator, Epiq, with the Settlement Class Member Information containing 8,752,370 known Settlement Class Members' names and email addresses. *See* Declaration of Cameron R. Azari, Esq. ("Azari Decl.") ¶ 10. The Settlement Administrator then established the Settlement Website on March 19, 2026, allowing Settlement Class Members to obtain detailed information about the Settlement Agreement, to file claims, and to review important documents, including the Long Form Notice, Claim Form, Settlement Agreement, and Preliminary Approval Order. *Id.* ¶ 17. On March 20, 2026, the Settlement Administrator directed Email Notice to 8,333,297 unique Settlement Class Members for whom Settlement Class Member Information existed. *Id.* ¶ 11. For Email Notices that were returned as undeliverable, the Settlement Administrator made two additional attempts to deliver the Notice by email. *Id.* ¶ 13. This resulted in the dissemination of Email Notice with a direct reach of approximately 82% of Settlement Class Members. Class Counsel Decl. ¶ 60. Settlement Class Members were also afforded the opportunity to call a toll-free number with questions concerning the Settlement Agreement. *Id.* ¶ 18. Many Settlement Class Members took advantage, with 1,493 potential claimants contacting the Settlement Administrator over the course of the claims period.

Release, and this Final Approval Order do not effectuate a release on behalf of anyone who is not a Settlement Class Member.

Id. ¶ 18.

In addition, in May 2026, approximately 60 days before the expiration of the claims period, the Parties engaged with the Settlement Administrator to send a Claim Stimulation Notice, particularly to email addresses for claimants that were initially suppressed because of role exclusion concerns. In addition, the Settlement Administrator sent a reminder email to eligible claimants who had not yet submitted a claim. The Parties did so to further boost the claims rate and ensure that all eligible claimants are notified of the opportunity to file a claim. *Id.* ¶ 15.

The Notices provided to the Settlement Class were clear and straightforward and were consistent with the guidance for class notice set forth by the Federal Judicial Center. *See* Federal Judicial Center, Illustrative Forms of Class-Action Notices: Overview, https://www.fjc.gov/content/301253/illustrative-forms-class-action-notices-introduction (last visited May 15, 2026). The Notices provided accurate information in plain language about the nature of the Action and the Settlement Agreement, including the applicable deadlines to opt out and object, instructions for submitting a Claim Form, and information about how to appear at the Final Approval Hearing personally or through counsel. Declaration Of Cameron R. Azari, Esq. Regarding Notice Program (ECF No. 305(7)) at ¶¶ 49. Settlement Class Members received the "best notice that is practicable under the circumstances," Fed. R. Civ. P. 23(c)(2), because they received notice that was "reasonably calculated, under all the circumstances, to apprise interested parties of the pendency of the action and afford them an opportunity to present their objections." *Mullane v. Cent. Hanover Bank & Tr. Co.,* 339 U.S. 306, 314 (1950).

C. There Have Been 37 Opt-Outs to Date and Only Four Objections.

To date, the Settlement Agreement has been met with an overwhelmingly positive response, with only a *de minimis* percentage of Settlement Class Members opting out or objecting.

While the claims deadline, July 2, 2026, is still around six weeks away, as of May 18, 2026, more than 144,845 claims have been submitted, and the Parties anticipate an increased response rate by the end of the claims period on July 2, 2026. Azari Decl. at ¶ 22. In stark comparison, to date, there have only been 37 requests for exclusion. *Id*. at ¶ 20. Moreover, only four Settlement Class Members have objected to the Settlement Agreement, each on the basis that it does not adequately compensate Class Members for lost time and other undocumented injuries. *Id* at ¶¶ 20, Attachment 6. However, the objectors' positions are untenable against the fulsome and immediate relief provided by the Settlement Agreement, not the least of which includes statutory damages in the amount of $25 without the need to show proof of loss.

Notably, Rule 23(e)(2) does not require a class-wide settlement to provide compensation for every category of damage claimed or considered; it simply requires that the overall relief be adequate in light of the circumstances. This principle is reinforced throughout the data breach jurisprudence, which warns objectors that "[a] settlement does not need to provide for all possible recoverable damages to deter wrongdoing." *In re Anthem, Inc. Data Breach Litig*., 327 F.R.D. 299, 322 (N.D. Cal. 2018). The court in *Anthem* further emphasized that "[t]he very essence of a settlement is compromise," and "the fact that a proposed settlement may only amount to a fraction of the potential recovery does not, in and of itself, mean that the proposed settlement is grossly inadequate and should be disapproved." *Id*. (citation omitted). In fact, the *Anthem* settlement itself (and others) provided for out-of-pocket reimbursement without a separate carve-out for compensating time spent mitigating damages, and the court granted final approval nonetheless. *Id*. at 319; *see also In re Target Corp. Customer Data Sec. Breach Litig*., 892 F.3d 968, 973, 974 n.6 (8th Cir. 2018) (finding meritless an objection that "class members with no proof of loss—documented or undocumented—are barred from receiving anything of value under the agreement" because "plaintiffs who have no demonstrable injury receive the benefit of Target's institutional reforms" and "will also receive a pro-rata share of any remaining settlement fund.").

Here, the Settlement Agreement provides immediate, non-exclusive forms of relief to adequately compensate for documented losses and potential future injuries, including complimentary account upgrades for enhanced security services provided by LastPass to free accountholders and Dark Web monitoring services for *all* Class Members, as well as a $25 statutory damages payment for qualifying paid accountholders and a $100 CCPA payment for qualifying California accountholders. Settlement Agreement, §§ 76(a), 76(b)(i)-(ii). Given the inherent risks and complexities of data breach litigation—including with respect to Article III standing and certifying damages on a class-wide basis—which the objections ignore, the Settlement Agreement provides a meaningful recovery for the Class without any additional delay. *See*, *e.g*., *In re Marriott Int'l, Inc., Customer Data Sec. Breach Litig*., 341 F.R.D. 128, 162 n.49 (D. Md. 2022) (acknowledging that "individualized causation issues like damages related to . . . time spent responding to the data breach" have "led other courts to deny class certification of damages classes in data breach cases").

Ultimately, the presence of only four objectors—none of whom intend to appear at the Final Approval Hearing—and a tiny fraction, far less than 1%, of Settlement Class Members requesting exclusion, indicates strong support for the Settlement Agreement by the Class and weighs strongly in favor of final approval. *See Wal-Mart Stores, Inc. v. Visa U.S.A. Inc*., 396 F.3d 96, 118 (2d Cir. 2005) ("If only a small number of objections are received, that fact can be viewed as indicative of the adequacy of the settlement.") (quoting 4 Alba Conte & Herbert B. Newberg, Newberg on Class Actions § 11.41, at 108 (4th ed. 2002)); *In re Colgate-Palmolive Softsoap Antibacterial Hand Soap Mktg. & Sales Pracs. Litig*., No. 12-md-2320-PB, 2015 WL 7282543, at

*12 (D.N.H. Nov. 16, 2015) (finding that "four objections to the proposed Settlement Agreement" represents a "small number" that "itself counts in favor of approving the proposed settlement"); *Sugarman v. Ducati N. Am., Inc.*, No. 5:10-cv-05246–JF, 2012 WL 113361, at *3 (N.D. Cal. Jan. 12, 2012) (noting that objections from 42 of 38,774 class members—more than 0.1 percent—is a "positive response"); *In re Home Depot, Inc., Customer Data Sec. Breach Litig*., No. 1:14-md-02583-TWT, 2016 WL 6902351, at *4 (N.D. Ga. Aug. 23, 2016) (granting final approval where "there were only five timely objections" and "45 Settlement Class members who timely requested exclusion from the Settlement.").

D. The Costs of Notice and Claims Administration are Reasonable and Fair.

Consistent with the terms of the Settlement Agreement, the costs for Notice and administration of the Settlement Agreement will be paid by LastPass via an allocation from the Settlement Fund. Class Counsel solicited bids from different settlement administrators, negotiated pricing with the prospective settlement administrators, and determined Epiq was the most favorable settlement administrator for Class Members. Class Counsel Decl. ¶ 32. The expected final cost of Notice and Administrative Expenses (including the supplemental notice) is $511,762, which is a reasonable and fair cost given the size of the Settlement Class and claims in this case. Class Counsel Decl. ¶ 34.

II. THE SETTLEMENT IS FAIR, ADEQUATE, AND REASONABLE AND MERITS FINAL APPROVAL

The Settlement Agreement is fair, adequate, and reasonable, particularly considering the substantial risks and uncertainties of protracted litigation of this matter. Fed. R. Civ. P. 23(e)(2). Accordingly, Plaintiffs request that the Court grant their Motion for Final Approval and issue an order of judgment. "Settlement agreements enjoy great favor with the courts as a preferred alternative to costly, time-consuming litigation." *Fid. & Guar. Ins. Co. v. Star Equip. Corp.*, 541 F.3d 1, 5 (1st Cir. 2008) (citation modified); *In re Lupron Mktg. & Sales Pracs. Litig.*, 228 F.R.D.

75, 88 (D. Mass. 2005) ("[T]he law favors class action settlements." (citation omitted)). Rule 23(e) provides that a proposed settlement in a class action must be approved by the court. Fed. R. Civ. P. 23(e). "The approval of a class-action settlement agreement is a 'two-step process, which first requires the court to make a preliminary determination regarding the fairness, reasonableness, and adequacy of the settlement terms.'" *Meaden v. HarborOne Bank*, No. 23-cv-10467-AK, 2023 WL 3529762, at *1 (D. Mass. May 18, 2023) (citation omitted). "The second step in the settlement approval process requires a fairness hearing, after which the court may give final approval of the proposed settlement agreement." *Id.* (citation omitted).

On February 2, 2026, the Court completed the initial step in the settlement approval process by issuing its Preliminary Approval Order. Prelim. Approval Order, Dkt. No. 311. As set forth above, the Parties and Settlement Administrator have and are executing the Notice Program to Settlement Class Members. Plaintiffs now respectfully request that the Court take the final step in the process by granting final approval of the Settlement Agreement because it is fair, reasonable, and adequate.

Rule 23(e)(2) provides that a court, in determining whether a settlement is "fair, reasonable, and adequate," should consider whether: "(A) the class representatives and class counsel have adequately represented the class; (B) the proposal was negotiated at arm's length; (C) the relief provided for the class is adequate . . . and (D) the proposal treats class members equitably relative to each other." *Cohen v. Brown Univ.*, 16 F.4th 935, 943 (1st Cir. 2021); Fed. R. Civ. P. 23(e)(2). The Advisory Committee on Civil Rules explained that the first two factors are "procedural" in nature, "looking to the conduct of the litigation and of the negotiations leading up to the proposed settlement." Fed. R. Civ. P. 23(e)(2) advisory committee's note to 2018 amendment. The latter two factors guide "a 'substantive' review of the terms of the proposed settlement." *Id.*

Even before enactment of the current rule, courts in the First Circuit traditionally looked to the factors set forth by the Second Circuit when reviewing a motion for final approval. These factors, commonly referred to as the "*Grinnell*" factors, are:

> (1) the complexity, expense and likely duration of the litigation; (2) the reaction of the class to the settlement; (3) the stage of the proceedings and the amount of discovery completed; (4) the risks of establishing liability; (5) the risks of establishing damages; (6) the risks of maintaining the class action through the trial; (7) the ability of the defendants to withstand a greater judgment; (8) the range of reasonableness of the settlement fund in light of the best possible recovery; and (9) the range of reasonableness of the settlement fund to a possible recovery in light of all the attendant risks of litigation.

Roberts v. TJX Cos., Inc., No. 13-cv-13142-ADB, 2016 WL 8677312, at *6 (D. Mass. Sep. 30, 2016) (quoting *City of Detroit v. Grinnell Corp.*, 495 F.2d 448, 463 (2d Cir. 1974), *abrogated on other grounds by Goldberger v. Integrated Res., Inc.*, 209 F.3d 43 (2d Cir. 2000)); *see also, Bezdek v. Vibram USA Inc.*, 79 F. Supp. 3d 324, 343-44 (D. Mass. 2015), *aff'd*, 809 F.3d 78 (1st Cir. 2015).

The Court's inquiry here "involves balancing the advantages and disadvantages of the proposed settlement as against the consequences of going to trial or other possible but perhaps unattainable variations on the proffered settlement." *Nat'l Ass'n of Chain Drug Stores v. New England Carpenters Health Benefits Fund*, 582 F.3d 30, 44 (1st Cir. 2009); *see also Bussie v. Allmerica Fin. Corp*., 50 F. Supp. 2d 59, 72 (D. Mass. 1999) ("This fairness determination is not based on a single inflexible litmus test but, instead, reflects its studied review of a wide variety of factors bearing on the central question of whether the settlement is reasonable in light of the uncertainty of litigation."). Here, the Rule 23(e)(2) and *Grinnell* factors favor final approval of the Settlement Agreement.

A. The Class Representatives and Class Counsel Have Adequately Represented the Class.

"The First Circuit requires two elements to establish adequacy . . . : (1) that the interests of the representative party will not conflict with the interests of any of the class members, and (2) that counsel chosen by the representative party is qualified, experienced and able to vigorously conduct the proposed litigation." *Bowers v. Russell*, 766 F. Supp. 3d 136, 148–49 (D. Mass. 2025) (citation modified) (quoting *Andrews v. Bechtel Power Corp.*, 780 F.2d 124, 130 (1st Cir. 1985)). First, Plaintiffs' interests are not antagonistic to the interests of the other Class Members as they all were the victims of the Data Breach. Second, Class Counsel have demonstrated the necessary qualifications and skill in this matter. *See* Class Counsel Decl. at ¶¶ 44-47. Therefore, Rule 23(e)(2)(A) 's adequacy of representation prong weighs in favor of approval.

B. The Settlement Was Negotiated at Arm's Length.

Rule 23(e)(2)(B) requires a court to consider whether a proposed settlement "was negotiated at arm's length." Fed. R. Civ. P. 23(e)(B). Here, the Parties participated in serious and informed arm's-length negotiations before the highly skilled Magistrate Judge M. Page Kelley, which resulted in the Settlement. Accordingly, this factor strongly favors approval of the Settlement.

C. The Relief Provided for the Class is Adequate.

1. The Costs, Risks, and Delay of Trial and Appeal Strongly Favor Settlement.

With respect to the *Grinnell* factors, the Court should balance the benefits afforded to the Settlement Class, including the immediacy and certainty of recovery, against the continuing risks of litigation. *See Grinnell*, 495 F.2d at 463. Class Counsel weighed the risks of continued litigation of this Action against the immediacy and certainty of the significant recovery provided to Settlement Class Members via the Settlement Agreement. In recognition of this balance, the Court should approve the Settlement Agreement because the costs, complexity, and likely duration of this case strongly favor settlement. *See, e.g., Grant v. Cap. Mgmt. Servs., L.P.*, No. 10-cv-2471-WQH (BGS), 2014 WL 888665, at *3 (S.D. Cal. Mar. 5, 2014) (discussing the advantage of "a bird in hand" as the court "compare[s] the significance of immediate recovery by way of the compromise to the mere possibility of relief in the future, after protracted and expensive litigation" (quoting *Nat'l Rural Telecomms. Coop. v. DIRECTV, Inc.*, 221 F.R.D. 523, 526 (C.D. Cal. 2004)). As courts across the country have frequently recognized, data breach class actions are inherently complex and "involve[] thorny issues regarding the emerging field of data breach liability." *Holden v. Guardian Analytics, Inc.*, No. 2:23-cv-2115, 2024 WL 2845392, at *5 (D.N.J. June 5, 2024); *see also Fulton-Green v. Accolade, Inc.*, No. 18-274, 2019 WL 4677954, at *8 (E.D. Pa. Sep. 24, 2019) (recognizing data breach litigation as complex, risky, and uncertain).

While Plaintiffs are confident in the strength of their claims, that the Court would certify a Class, and that the likelihood of success at trial is substantial, LastPass is also confident in its defenses and arguments opposing class certification and at trial. *See, e.g., In re TJX Cos. Retail Sec. Breach Litig.*, 246 F.R.D. 389, 397-398 (D. Mass. 2007) (denying class certification because necessity of individualized inquiries regarding causation, comparative negligence, and damages precluded a finding of predominance). Both Parties understand and acknowledge the risks associated with their respective positions at class certification, summary judgment, and at trial. *See, e.g., In re Equifax Inc. Customer Data Sec. Breach Litig.*, No. 1:17-md-2800-TWT, 2020 WL 256132, at *10 (N.D. Ga. Mar. 17, 2020) ("The likelihood of success at trial is uncertain at best."), *aff'd in part, rev'd in part and remanded*, 999 F.3d 1247 (11th Cir. 2021); *see also In re Sonic Corp. Customer Data Breach Litig.*, No. 1:17-md-02807, 2019 WL 3773737, at *7 (N.D. Ohio Aug. 12, 2019) (noting that "juries are always unpredictable"). Prosecuting this Action through a potential trial and appeal would be lengthy, complex, and impose significant costs on both Parties and the Court. Through continued litigation of this Action, Settlement Class Members face increased risk, expense, and delay, holding up any potential recovery for Settlement Class Members for several more years. *See Holden*, 2024 WL 2845392, at *5 ("Although Plaintiffs believe they would ultimately prevail, litigation of this matter through trial would be complex, costly, and time-consuming. The Settlement eliminates the costs and risks associated with further litigation. The Settlement Class would also receive prompt compensation.").

In addition, had the litigation continued, proving damages, liability, and certifying a class would have likely required significant expert testimony and analysis, presenting significant risk. *See Carter v. Vivendi Ticketing US LLC,* 2023 WL 8153712, at *5 (C.D. Cal. Oct. 30, 2023) (recognizing at final approval that had data breach case proceeded, "[e]xtensive and expensive expert analysis would be needed."). Although Plaintiffs believe that expert testimony at trial would provide evidence sufficient to prove the value of their damages in this case, in an inevitable "battle of experts," a jury may disagree with Plaintiffs' experts. *See In re Tyco Int'l, Ltd. Multidistrict Litig.*, 535 F. Supp. 2d 249, 260–61 (D.N.H. 2007) ("[E]ven if the jury agreed to impose liability, the trial would likely involve a confusing 'battle of the experts' over damages. If, faced with conflicting expert testimony, the jury chose to embrace the most conservative estimate of damages, then the ultimate award might turn out to be less than the proposed settlement."). Of course, even if a jury made a substantial damages award, there is a significant risk that LastPass may not have been able to satisfy the judgment.

In contrast, the Settlement Agreement provides Settlement Class Members with tangible, substantial, immediate relief that fairly, reasonably, and adequately addresses the harms caused by the Incident, without the risk and delay inherent in litigating this Action through trial and appeal. Thus, this factor weighs in favor of final approval of the Settlement Agreement.

2. The Proposed Method of Distributing Relief to the Class Is Highly Effective.

Under Rule 23(e)(2)(C)(ii), a court must evaluate the "effectiveness of any proposed method of distributing relief to the class, including the method of processing class-member claims."

Here, the distribution plan and claims process was formulated and is being overseen by Epiq—a nationally recognized expert in the field of legal notice, which has served as an expert in hundreds of federal and state cases involving class action notice plans. Azari Decl. ¶ 2. Class Members were allowed to make their claims online, thereby making the claims process as easy as possible for Class Members. *Id*. at 17. Additionally, Class Members have the option of being paid electronically, thereby making the distribution process efficient. As such, the Rule 23(e)(2)(C)(ii) factor weighs in favor of granting final approval of the Settlement.

3. The Terms of the Proposed Award of Attorney's Fees Are Reasonable.

In assessing the adequacy of the relief, Rule 23(e) also requires the court to examine the proposed attorneys' fees. Fed. R. Civ. P. 23(e)(2)(C)(iii). Here, Class Counsel seek a fee award of 1/3 of the Settlement Fund, plus reimbursement of reasonable out-of-pocket costs and expenses. *See* Plaintiffs' Motion for an Award of Attorney's Fees, Costs and Expenses, and Service Awards ("Motion for Fees") being filed herewith. This approach is reasonable and consistent with applicable law as demonstrated in the Motion for Fees.

4. There Are No Agreements Required to be Identified Under Rule 23(e)(3).

Finally, a court must consider "any agreement required to be identified under Rule 23(e)(3)," which includes "any agreement made in connection with the proposal." Fed. R. Civ. P. 23(e)(2)–(3). There is no such agreement here. Accordingly, this consideration does not weigh against final approval of the Settlement.

D. The Settlement Treats Class Members Equitably Relative to Each Other.

Rule 23(e)(2)(D) requires the Court to consider whether "the proposal treats class members equitably relative to each other." Fed. R. Civ. P. 23(e)(2)(D). Here, all Class Members are entitled to some relief under the Settlement. Accordingly, this factor is also met.

E. The Remaining Grinnell Factors Support Final Approval.

The *Grinnell* factors not expressly assessed under Rule 23(e)(2)(C)(i) include "the reaction of the class to the settlement[;] . . . the stage of the proceedings and the amount of discovery completed[;] . . . the ability of the defendants to withstand a greater judgment[;] . . . the range of reasonableness of the settlement fund in light of the best possible recovery[;]" and "the range of reasonableness of the settlement fund to a possible recovery in light of all the attendant risks of litigation." *Grinnell*, 495 F.2d at 463 (citation modified). Here, each of these factors favors final approval of the Settlement.

1. The Reaction of the Settlement Class to the Settlement.

The reaction to the Settlement Agreement has been overwhelmingly positive, so this factor weighs strongly in favor of granting final approval. *See In re Tyco*, 535 F. Supp. 2d at 261 (noting that "[o]nly a small number" of class members had raised objections and that their objections were "without merit"); *see also Bussie*, 50 F. Supp. 2d at 77 ("[The low] number of requests for exclusion from the settlement, as well as the number and substance of objections filed . . . constitutes strong evidence of fairness of proposed settlement and supports judicial approval." (citation modified)).

Here, the fact that there have been only thirty-seven opt outs and only four objections strongly supports the finding that the Settlement Agreement is fair and reasonable. *In re Cabletron Sys., Inc. Sec. Litig.*, 239 F.R.D. 30, 35-36 (D.N.H. 2006) (approving class action settlement after no objections and three opt outs); *Hashemi v. Bosley, Inc.*, No. CV 21-946 PSG (RAOx), 2022 WL 18278431, at *6 (C.D. Cal. Nov. 21, 2022) ("Very few objections and opt-outs create a strong presumption that the Settlement is beneficial to the Class and thus warrants final approval.").

The few opt-outs that have been received are expected. While the streamlined cryptocurrency claims process provides an efficient way to adjudicate relatively small value claims, there are reports of cryptocurrency losses many times the $900,000 maximum recovery called for in the Settlement Agreement. As a result, the few opt outs likely represent extremely high cryptocurrency losses, are expected and well within the *Grinnell* factors.

2. The Stage of Proceedings and the Amount of Discovery.

The fact that the Parties have engaged in significant formal discovery and vital informal discovery and thoroughly briefed and discussed various issues prior to and during mediation, weighs in favor of final approval. In consideration of this factor, the relevant inquiry for the court is whether "sufficient discovery" was conducted "to make an intelligent judgment about settlement," not whether discovery was completed. *Hochstadt v. Boston Sci. Corp*., 708 F. Supp. 2d 95, 107 (D. Mass. 2010). While extensive discovery is not required, the Parties must have conducted "a sufficient factual investigation . . . to afford the Court the opportunity to 'intelligently make … an appraisal' of the Settlement." *Diaz v. FCI Lender Servs., Inc.*, No. 17-CV-8686 (AJN), 2020 WL 4570460, at *4 (S.D.N.Y. Aug. 7, 2020) (citation omitted).

Here, as set forth above, this Action has been pending for almost 4 years. During that time, the Parties exchanged fulsome written and oral discovery through the close of the discovery period (including filing and fully briefing several discovery motions) and engaged in significant and lengthy discussions surrounding the facts and legal issues in this case, including with a neutral mediator. Discovery encompassed the review and analysis of hundreds of thousands of pages of documents by the Plaintiffs. This work provided Class Counsel with sufficient knowledge to understand the strengths and weaknesses of Plaintiffs' claims and to fully evaluate the risks and uncertainties of continued litigation, and the reasonableness of the Settlement Agreement. As a result, this factor also counsels in favor of final approval. *See, e.g., Holden*, 2024 WL 2845392, at *5 (recognizing in a data breach case that the parties adequately appreciated the merits of the case and settlement absent formal discovery because of their factual investigation and informal discovery as part of the mediation process).

3. The Risks of Maintaining the Class Through Trial.

This factor weighs in favor of final approval of a settlement agreement where "it is likely that defendants would oppose class certification if the case were to be litigated." *In re GSE Bonds Antitrust Litig*., 414 F. Supp. 3d 686, 694 (S.D.N.Y. 2019) (citation modified). Here, there is no doubt that, had litigation proceeded, LastPass would have challenged class certification. Assuming the Court certified the class over LastPass's objection, LastPass could have filed an interlocutory appeal with the First Circuit pursuant to Rule 23(f). *See Roberts*, 2016 WL 8677312, at *7. Given the attendant risks, this factor also weighs in favor of final approval of the Settlement Agreement.

4. The Ability of LastPass to Withstand a Greater Judgment.

Generally speaking, courts have concluded that this factor is not dispositive on whether the settlement is within the range of reasonableness. *See, e.g., D'Amato v. Deutsche Bank*, 236 F.3d 78, 86 (2d Cir. 2001); *see also In re Sturm, Ruger, & Co., Inc. Sec. Litig.*, No. 3:09cv1293 (VLB), 2012 WL 3589610, at *7 (D. Conn. Aug. 20, 2012) (explaining that a defendant is "not required to empty its coffers before a settlement can be found adequate" (citation omitted)). The purpose of settlement is not to bankrupt a defendant or impose debilitating economic hardship. Nevertheless, Class Counsel concluded there was a substantial risk that LastPass would not have the ability to pay a greater judgment. In light of this, the Settlement Agreement which provides for more than $56 million worth of dollars of in-kind relief, a $8,200,000 Settlement Fund, and a Crypto Pool that will pay up to $16,250,000 in proven cryptocurrency losses (the first of its kind), represents an extraordinary result. Class Counsel Decl. ¶¶ 30-31. The Court should find that this factor weighs in favor of approval, or else, "assign 'relatively little weight' to this factor." *Morris v. Affinity Health Plan, Inc*., 859 F. Supp. 2d 611, 620–21 (S.D.N.Y. 2012) (citation omitted).

5. The Settlement Fund is Reasonable in Light of the Best Possible Recovery and the Attendant Risks of Litigation.

In consideration of these two factors, the issue before the Court is not whether the Settlement Agreement represents the best conceivable recovery, but an informed analysis of how the Settlement Agreement relates to the particular strengths and weaknesses of the Action. *Grinnell*, 495 F.2d at 462. This requires the Court "to consider and weigh the nature of [Plaintiffs'] claim[s]," LastPass's "possible defenses," and "the exercise of [counsel's] judgment in determining whether the proposed settlement is reasonable." *Id.* (quoting *Young v. Katz*, 447 F.2d 431, 433 (5th Cir. 1971)). Thus, the focus of the Court's analysis is whether the Settlement Agreement "represents a reasonable [settlement] in light of the many uncertainties the class faces." *Hall v. ProSource Techs., LLC*, No. 14-CV-2502 (SIL), 2016 WL 1555128, at *8 (E.D.N.Y. Apr. 11, 2016) (citation omitted).

Plaintiffs faced numerous uncertainties in litigating this case through trial and appeal, in comparison to the substantial and immediate relief the Settlement Agreement provides Settlement Class Members. Nevertheless, the relief negotiated by the Parties here compares favorably to other data breach settlements that do not involve healthcare data, that have received final approval. *See, e.g., In re Lincare Holdings Inc. Data Breach Litig.*, No. 8:22-cv-01472-AAS, 2024 WL 3104286, at *4 (M.D. Fla. June 24, 2024) (granting final approval to a $7.25 million settlement fund that would benefit approximately 2.9 million class members); Order granting Motion for Attorney Fees and Motion for Settlement, *Sherwood v. Horizon Actuarial Servs. LLC*, No. 1:22-cv-01495 (N.D. Ga. Apr. 19, 2022), Dkt. No. 94 (granting final approval to $8.73 million settlement fund that would benefit approximately 4.3 million class members); *In re Google Plus Profile Litig.*, No. 5:18-cv-06164-EJD (VKD), 2021 WL 242887, at *1 (N.D. Cal. Jan. 25, 2021) (granting final approval of settlement fund of $7.5 million for 161 million Google+ users whose personal information was exposed).

Given the risks of continued litigation compared to the Settlement Agreement's substantial and immediate benefits for Settlement Class Members, these factors also favor final approval.

F. The Proposed Settlement Agreement is Fair, Reasonable, and Adequate.

A plan for allocating settlement proceeds, like the settlement itself, should be approved if it is fair, adequate, and reasonable. *Hochstadt*, 708 F. Supp. at 109 (citation omitted). "A plan of allocation is fair and reasonable as long as it has a 'reasonable, rational basis.'" *New England Biolabs v. Miller*, No. 1:20-cv-11234-RGS, 2022 WL 20583575, at *4 (D. Mass. Oct. 26, 2022) (citation omitted). "A reasonable plan of allocation need not necessarily treat all class members equally but may allocate funds based on the extent of class members' injuries and consider the relative strength and values of different categories of claims." *Hill v. State St. Corp.*, No. CIV. A. 09-12146-GAO, 2015 WL 127728, at *11 (D. Mass. Jan. 8, 2015) (citation modified). "In determining whether a plan of allocation is fair and reasonable, courts give great weight to the opinion of experienced counsel." *Id.*

Here, the Settlement benefits provide Settlement Class Members with relief tailored to the LastPass product that they used as well as their injury. Class Counsel Decl. ¶¶ 25-31, 35. The Settlement benefits plan was designed to provide relief to those who did not incur out of pocket losses while equitably allowing for individualized compensation to Settlement Class Members who incurred expenses as a result of the Incident. *Id.* Indeed, the Settlement benefits are similar to other court-approved allocation plans in other data breach cases. *See, e.g., Barletti v. Connexin Software, Inc.*, No. 2:22-cv-04676-JDW, 2024 WL 1096531, at *6 (E.D. Pa. Mar. 13, 2024) (granting final approval of data breach settlement that provided class members the ability to file a claim for credit monitoring services, out-of-pocket losses, or an alternative cash payment); and *In* *re Cap. One Consumer Data Security Breach Litig.*, No. 1:19-md-2915 (AJT/JFA), 2022 WL 18107626, at *12 (E.D. Va. Sep. 13, 2022) (approving proposed allocation plan that allowed class members to submit claims for out-of-pocket losses, lost time, and "Identity Defense Services" because it treated class members equitably). Thus, the Settlement plan is fair, reasonable, and adequate.

III. THE COURT SHOULD CERTIFY THE SETTLEMENT CLASS

Under the terms of the Settlement Agreement, the Parties have agreed, for the purposes of the Settlement only, to the certification of the following Settlement Class:

> All natural persons residing in the United States, as well as all companies, entities, and organizations registered to do business in the United States, whose LastPass accounts were allegedly compromised, extracted, copied, stolen, or otherwise exposed as a result of the 2022 LastPass Data Security Incident, and whose accounts contained data at the time of the Incident.
>
> The Settlement Class specifically excludes: (1) Defendant, Go to Technologies USA, LLC, Francisco Partners Management, L.P., Francisco Partners Consulting, LLC, Elliot Investment Management, L.P., and their officers and directors; (2) all Persons who submit an Opt-Out from the Settlement; (3) the Court; and (4) any 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 Incident, or who pleads *nolo contendere* to any such charge.

In the Court's Preliminary Approval Order, the Court preliminarily certified the above Settlement Class. *See* Prelim. Approval Order ¶¶ 3–6, Dkt. No. 311 (noting that "the proposed Settlement Class likely meets all the requirements of Federal Rules of Civil Procedure ('Rules') 23(a) and (b)(3)"). Plaintiffs respectfully request that the Court finally certify the Settlement Class for settlement purposes only.

CONCLUSION

Plaintiffs respectfully request that the Court grant their Motion for Final Approval and enter an order of judgment certifying the Settlement Class.

Date: May 18, 2026

Respectfully Submitted,

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CERTIFICATE OF SERVICE

I hereby certify that this document was filed through the ECF system and sent electronically to the registered participants as identified on the Notice of Electronic Filing (NEF) on May 18, 2026.

Dated: May 18, 2026

/s/ Ian McLoughlin

Ian J. McLoughlin