

In re LastPass Canadian Consumer Privacy Class Action

Keswani et al v GoTo Technologies USA, Inc., LastPass US LP, GoTo Technologies Canada Ltd. and LastPass Technologies Canada ULC
Supreme Court of British Columbia at Vancouver Registry, Action No. S-230956

LONG-FORM NOTICE OF PROPOSED SETTLEMENT

THE PUBLICATION OF THIS LONG-FORM NOTICE HAS BEEN APPROVED BY THE SUPREME COURT OF BRITISH COLUMBIA. PLEASE REVIEW THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR LEGAL RIGHTS.

A. INTRODUCTION

On February 8, 2023, a class action was filed in the Supreme Court of British Columbia (“Court”) on behalf of Canadian customers of LastPass who were allegedly affected in a data security breach that was initially reported by LastPass in August 2022 (“Data Breach”). The class action advances claims against the defendants GoTo Technologies USA, Inc., LastPass US LP, GoTo Technologies Canada Ltd. and LastPass Technologies Canada ULC (collectively, and for convenience of reference, the “Defendants”), and seeks compensation on behalf of a proposed Class defined as follows:

All individuals and entities residing or domiciled in Canada whose Private Information was accessed by unauthorized parties in, during or as a result of the Data Breach;

For the purposes of this definition, Private Information means the Defendants’ customer data that was compromised in the Data Breach, and it includes the following information: (a) company names; (b) end-user names; (c) billing addresses; (d) email addresses; (e) telephone numbers; (f) the IP addresses from which customers were accessing the LastPass service; and (g) the backup of customer vault data;

For the purposes of this definition, Data Breach means the data breach that affected the Defendants’ computer systems and networks in 2022 and resulted in the compromise of customer data, which was reported on by the Defendants in or between August 2022 and March 2023,

(hereinafter, “Class” or “Class Members”).

The Toronto-based law firm of KND Complex Litigation and the Vancouver-based law firm of Hammerco Lawyers LLP are Counsel to the Plaintiffs and the Class in this class action.

A Proposed Settlement has been reached between the class action Plaintiffs and the Defendants. The Proposed Settlement provides for the payment of US\$3 million

(approximately, C\$4,144,800), in full and final settlement of the claims asserted in the class action.

The Proposed Settlement is not an admission of liability on the part of the Defendants, who deny the allegations and vigorously defend the action against them. The Proposed Settlement represents a compromise of disputed claims. The Proposed Settlement is subject to approval of the Court.

This Long-Form Notice of Proposed Settlement provides details regarding the Proposed Settlement, the path forward, and the options available to Class Members at this time.

Note that this Canadian proceeding is distinct and independent of the proceeding brought and pending in the United States District Court, District of Massachusetts, Action No. 22-12047. The Proposed Settlement is **NOT** available to persons or entities other than Canadian-resident users of LastPass.

B. Options Available to Class Members at This Time

At this time, the options available to Class Members are as follows:

- a) **Do nothing:** if you have no comment on the Proposed Settlement, you need not do anything. The Proposed Settlement will follow its due course to obtain approval of the Court. If the Court approves the Proposed Settlement, a further notice will be issued in due course, which will provide information regarding the claims process and instructions for how you may claim compensation from the settlement fund;
- b) **Opt Out:** If you wish to be excluded from the class action and the settlement so that you can pursue your own individual claim against one or more of the Defendants, you must complete and submit the Opt-Out Form, in the form approved by the Court and available here: <https://knd.law/class-actions/lastpass/>, by no later than 11:59 p.m., Pacific Time, on December 3, 2025, by email at lastpass@conciliainc.com.
- c) **Provide comments or object:** If you have comments regarding or wish to object to the Proposed Settlement, including the Proposed Plan or Allocation and/or Class Counsel's fee request, which you wish to bring to the attention of the Court at the hearing of the application for final approval of the Proposed Settlement, you may provide your comments by no later than 11:59 p.m., Pacific Time, on December 3, 2025, by email at lastpass@conciliainc.com. Class Counsel will bring the comments or objections that may be received to the attention of the Court.

C. Overview of the Proposed Settlement

Detailed information concerning this class action, the events leading to the Proposed Settlement and the rationale for the Proposed Settlement is provided in the Affidavit of Kevin McLaren, a copy of which is available here: <https://knd.law/class-actions/lastpass/>.

The terms of the Proposed Settlement are generally consistent with comparable precedents.

The Proposed Settlement provides for the payment of US\$3 million (approximately C\$4,144,800) in full and final satisfaction of the claims asserted against the Defendants in this class action.

The Proposed Settlement provides for full and final releases, which are consistent with the releases provided to defendants in this type of litigation.

The Proposed Settlement provides for the form and the manner of distribution of the First Notice of the Proposed Settlement, consistent with those approved by the Courts in this type of litigation.

The Proposed Settlement provides that each Class Member who wishes to opt out may do so by completing and submitting a valid Opt-Out Form, in the form attached as **Schedule “C”** to the Settlement Agreement (available here: <https://knd.law/class-actions/lastpass/>), within 30 days from the publication of the First Notice of the Proposed Settlement, meaning 11:59 p.m., Pacific Time, on December 3, 2025.

D. Overview of the Proposed Plan of Allocation

The capitalized terms used in this section have the meanings attributed to them in the Proposed Plan of Allocation.

The Proposed Plan of Allocation provides for objective criteria to validate and determine each Eligible Class Member’s Compensable Loss, and provides for a mechanism to distribute the Settlement Distribution Fund amongst the Eligible Class Members.

The Eligible Class Members are comprised of two categories:

- a) the Eligible Crypto Claimants, who would be submitting valid Claim Forms in relation to a Crypto Claim; and
- b) the Eligible Ordinary Claimants, who would be submitting valid Claims Forms in relation to Ordinary Claims. An Eligible Crypto Claimant may also submit the Claim Form with respect to Ordinary Claims.

The Proposed Plan of Allocation initially creates a fund totalling \$1.4 million, which is referred to as the Crypto Claims Distribution Fund.

The Claims Administrator shall validate and determine the amount of each Eligible Crypto Claimant, which is calculated based on the total amount of alleged Crypto-asset loss multiplied by 0.046875 (or, 4.6875%), taking into account the risks associated with the

continued litigation of this type of claim. Then the Claims Administrator shall aggregate the Eligible Crypto Claimants' Crypto Claims. If the amount of the aggregate value of these claims is more than \$1.4 million, the Claims Administrator shall prorate the available funds amongst the Eligible Crypto Claimants. If the amount of the aggregate value of these claims is less than \$1.4 million, the Claims Administrator shall pay the Eligible Crypto Claimants' Compensable Loss in full, and it will then remit the balance remaining in the Crypto Claims Distribution Fund into the Settlement Distribution Fund, which will form the Ordinary Claims Distribution Fund.

The Proposed Plan of Allocation will allow any Eligible Ordinary Claimant to make a claim with respect to two matters, as follows:

- a) **First**, wasted time spent to address the consequences of the Data Breach. On average, a person is presumed to spend approximately 5 hours to address the immediate consequences of a Data Breach (in terms of researching the event and taking steps to protect themselves from the harms that may reasonably follow from a severe data breach). The Proposed Plan of Allocation allows each Eligible Ordinary Claimant to claim compensation for up to 5 hours of wasted time, measured at \$34.01 per hour (the average wage across Canada in 2023), or a total of \$170.05. No supporting documentation would be required in relation to this kind of claim.
- b) **Second**, out of pocket expenses. The Proposed Plan of Allocation allows any Eligible Ordinary Claimant to submit the Claim Form in relation to out of pocket expenses reasonably incurred as a result of the Data Breach, for up to \$500. For this type of claim, the Eligible Ordinary Claimant must provide documentation establishing that the expenses were incurred prior to May 31, 2023. The Claims Administrator must also be satisfied that the expense was reasonably connected to the Data Breach.

The Claims Administrator will aggregate the value of the claims submitted by the Eligible Ordinary Claimants, and will prorate the Ordinary Claims Distribution Fund amongst the Eligible Ordinary Claimants.

In reaching the Proposed Settlement and designing the Proposed Plan of Allocation, Class Counsel has considered similar Canadian settlements, although not all arising from the same circumstances. Class Counsel must consider the information currently available and their best assumptions and judgment in forming a view regarding the Proposed Settlement. Class Counsel have closely reviewed the facts and circumstances in order to form the view that the Proposed Settlement, and the Proposed Plan of Allocation, as currently envisioned are fair, appropriate and in the best interests of the Class Members.

E. Application for Final Approval of the Proposed Settlement

On February 18, 2026, the Court will hear an application for final approval of the Proposed Settlement. As part of that application, the Court will be asked to also grant orders as follows:

- a) an Order approving the Proposed Plan of Allocation;
- b) an Order approving honorarium payments to the plaintiffs Karan Keswani and N. W., each in the amount of \$5,000; and
- c) an Order approving Class Counsel's fees, at 33% of US\$3 million gross settlement consideration (or its equivalent in Canadian currency), and Class Counsel's out of pocket expenses not exceeding \$150,000.

In the event that the Court approves the Proposed Settlement, a further notice will be issued that will provide details regarding the Claims Process, and how Class Members may submit a claim for compensation.

In the event that the Court declines to approve the Proposed Settlement, the Proposed Settlement shall be terminated and it shall have no effect. The parties will then be required to continue the litigation. The Defendants strenuously deny liability and intend to continue to vigorously defend the claims against them. The outcome of the action will be uncertain.

If you wish to participate at the hearing, you must inform Class Counsel by email by no later than 11:59 p.m., Pacific Time, on February 13, 2026, by email at sn@knd.law so that necessary arrangements can be made to ensure the proceeding will go smoothly, and you may ask the Court for permission to speak at the hearing if you wish to do so.

F. Inquiries with Respect to Administration of the Proposed Settlement

Concilia Services Inc. has been appointed by the Court as the Claims Administrator in relation to this matter. Any questions concerning the administration of the settlement must be directed to Concilia Services. Inc. at the following contact information:

Concilia Services Inc.

1-5900 Andover Avenue
Montreal, Quebec, H4T 1H5
Email : lastpass@conciliainc.com
Phone: 1-888-851-0770

G. Class Counsel

Class Counsel are **NOT** Claims Administrators and will not be able to answer to inquiries concerning the administration of the settlement. Those inquiries must be provided to the Claims Administrator.

Class Counsel may be contacted as follows:

Sage Nematollahi
KND Complex Litigation
sn@knd.law

Alexia Majidi
Hammerco Lawyers LLP
amajidi@Hammerco.ca

Information concerning this class action is available on the website of Class Counsel at the following URL addresses:

KND: <https://knd.law/class-actions/lastpass/>

Hammerco: <https://hammerco.ca/services/class-actions/current-cases/last-pass-data-breach/>