

**IN THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA
CIVIL DIVISION**

RORY LAWLESS,

Plaintiff,

v.

**DISTRICT OF COLUMBIA HEALTH BENEFIT
EXCHANGE AUTHORITY, d/b/a DC HEALTH
LINK**

Defendant.

2023 CAB 001569

Judge Yvonne Williams

**ORDER GRANTING PLAINTIFF'S CONSENT MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION SETTLEMENT**

Before the Court is the Consent Motion for Preliminary Approval of Class Action Settlement, filed by Plaintiff on November 11, 2024. Defendant consents to the relief requested. For the reasons set forth below, the Motion is **GRANTED** and the Preliminary Approval Order is **ENTERED PRELIMINARILY** as set forth below.

Accordingly, it is on this 13th day of November, 2024, hereby,

ORDERED that the above-captioned class action is pending in this Court (the "Action"); and it is further

ORDERED that Plaintiff Rory Lawless, individually and on behalf of all others similarly situated ("Plaintiff") and Defendant District of Columbia Health Benefit Exchange Authority d/b/a DC Health Link ("DCHBX" or "Defendant") have entered into a Settlement Agreement (the "Settlement Agreement") that settles the above-captioned litigation and provides for a complete dismissal with prejudice of the claims asserted against Defendant in the above-captioned action on the terms and conditions set forth in the Settlement Agreement, subject to the approval of the Court; and it is further

ORDERED that Plaintiff has made an application, pursuant to Rule 23 of the District of Columbia Rules of Civil Procedure, for an order preliminarily approving the Settlement in accordance with the Settlement Agreement, certifying the Settlement Class for purposes of the Settlement only, appointing Rory Lawless, Jenni Suhr, Pretial Caston, Austin Dressman, John Eborall, Keven Hammond, Taylor Heath, Shirley Huang, Kathleen McAteer, Angelo Merenda, Matthew Oginsky, and Catherine Sanders as Class Representatives, appointing Class Counsel as counsel for the Settlement Class, appointing Epiq Class Action & Claims Solutions, Inc. as Settlement Administrator, and allowing notice to Settlement Class Members as more fully described herein; and it is further

ORDERED that the Court has read and considered: (a) Plaintiffs' motion for preliminary approval of the Settlement, and the papers filed and arguments made in connection therewith; and (b) the Settlement Agreement and exhibits attached thereto; and it is further

ORDERED that unless otherwise defined herein, the capitalized terms herein shall have the same meaning as they have in the Settlement Agreement; and it is further

ORDERED that:

1. **Class Certification for Settlement Purposes Only.** For settlement purposes only and pursuant to District of Columbia Civ. R. 23(c), the Court certifies, solely for purposes of effectuating the proposed Settlement, a Settlement Class in this matter defined as follows:

“All persons residing in the United States who were sent notice by District of Columbia Health Benefit Exchange Authority (DCHBX) that their Private Information was potentially accessible during the Data Incident and/or known to be compromised by the Data Incident discovered on or about March of 2023.”

The Settlement Class includes approximately 254,388 people: 56,415 individuals whose PII was breached and exposed on a public forum (Group 1); and 197,973 individuals whose information may have been breached but was not found publicly posted and there is no other

evidence of compromise or exposure. The Settlement Class specifically excludes: (1) the judge presiding over this Action, and members of her direct family; (2) Defendant, and its current or former officers and directors; and (3) Settlement Class Members who submit a valid a Request for Exclusion prior to the Opt-Out Deadline.

2. **Class Findings.** The Court provisionally finds, for settlement purposes only, that: (1) class members are so numerous to make joinder impractical; (2) there are questions of law and fact common to the class; (3) the claims of the representative parties are typical of the claims or defenses of the class; and (4) the named representatives will fairly and adequately represent the class; (5) common questions of law or fact predominate such that a class action is superior to individual actions.

3. **Class Representatives and Settlement Class Counsel.** Rory Lawless, Jenni Suhr, Pretial Caston, Austin Dressman, John Eborall, Keven Hammond, Taylor Heath, Shirley Huang, Kathleen McAteer, Angelo Merenda, Matthew Oginsky, and Catherine Sanders are hereby provisionally designated and appointed as the Class Representatives. The Court provisionally finds that the Class Representatives are similarly situated to absent Settlement Class Members and therefore typical of the Settlement Class and that they will be adequate Class Representatives. The Court further finds that Mason LLP and the Lyon Firm are experienced and adequate counsel and are hereby provisionally designated as Settlement Class Counsel.

4. **Preliminary Settlement Approval.** The Court hereby preliminarily approves the Settlement, as embodied in the Settlement Agreement, as being fair, reasonable and adequate to the Settlement Class, *subject to further consideration at the Final Approval Hearing to be conducted as described below*. The Court finds that the proposed settlement is within the range of reasonableness and that it is worthwhile to provide notice to the class.

5. **Final Approval Hearing.** A Final Approval Hearing shall be held on February 21, 2025 at 9:30 a.m. in virtual Courtroom 212, [in the Civil Actions Division of the Superior Court of the District of Columbia, at the Moultrie Courthouse located at 500 Indiana Ave., NW, Washington DC 20001] [by video conference] for the following purposes:

- a. To determine whether the proposed Settlement is fair, reasonable, and adequate to the Class and should be approved by the Court;
- b. To determine whether to enter a Final Approval Order, as defined in the Settlement Agreement;
- c. To determine whether the Notice Plan conducted was appropriate;
- d. To determine whether the claims process under the Settlement is fair, reasonable and adequate and should be approved by the Court;
- e. To determine whether the requested Class Representative Service Awards in the combined amount of \$30,000 (\$2,500 per Class Representative) and Class Counsel's combined Fee Award and Expenses in the amount of \$483,285.00 and costs not to exceed \$25,000 should be approved by the Court;
- f. To determine whether the settlement benefits are fair, reasonable, and adequate; and
- g. To rule upon such other matters as the Court may deem appropriate.

6. **Retention of Claims Administrator and Manner of Giving Notice.** Class Counsel is hereby authorized to retain Epiq Class Action and Claims Solutions, Inc. (the "Settlement Administrator") to supervise and administer the notice procedure in connection with the proposed Settlement as well as the processing of Claim Forms as set for more fully below.

7. **Approval of Form and Content of Notice.** The Court (a) approves, as to form and content, the Long Form Notice, Short Form Notice, and Claim Forms attached to the Settlement

Agreement as Exhibits A, B and C, and (b) finds that the Notice provided to Settlement Class Members as set forth in the Settlement Agreement (i) is the best notice practicable under the circumstances; (ii) constitutes notice that is reasonably calculated, under the circumstances, to apprise the Settlement Class Members of the pendency of the Action, of the effect of the proposed Settlement (including the releases to be provided thereunder), of Class Counsel's request for Fee Award and Expenses, of Class Representatives' request for a Service Award, of Class Members' right to object to the Settlement, of Class Members' right to exclude themselves from the Settlement Class, and of Class Members' right to appear at the Final Approval Hearing; (iii) constitutes due, adequate and sufficient notice to all persons entitled to receive notice of the proposed Settlement; and (iv) satisfies the requirements of Rule 23 of the District of Columbia Rules of Civil Procedure, the United States Constitution (including the Due Process Clause), and all other applicable law and rules. The date and time of the Final Approval Hearing shall be included in the Notice before it is distributed so long as that date is known at the time of Notice.

8. **Participation in the Settlement.** 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 and must do so within ninety (90) days after Notice is sent to the Settlement Class Members. If a Final Approval 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 Approval Order and Judgment.

9. **Claims Process and Distribution and Allocation Plan.** The Settlement Agreement contemplates a process for the Settlement Administrator to assess and determine 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 claims process described in the Settlement Agreement and directs that the Settlement Administrator to effectuate the distribution of Settlement consideration according to the terms of the Settlement Agreement, should the Settlement be finally approved.

10. **Exclusion from Class.** Any Settlement Class Member who wishes to be excluded from the Settlement Class must mail a written notification of their 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 **60 Days after the date Notice is mailed to the Settlement Class Members** (the “Opt-Out/Exclusion Deadline”). The written notification must include the name of the proceeding, the individual’s full name, current address, personal signature, and 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.

Any Settlement Class Member who does not timely and validly exclude himself or herself from the Settlement shall be bound by the terms of the Settlement Agreement. If a Final Approval 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 Approval 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.

11. **Objections and Appearances.** 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 mailed first-class postage prepaid to the Settlement Administrator at the address listed in the Notice, and postmarked by no later than the Objection/Exclusion Deadline, 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 85 of the Settlement Agreement, which is as follows: (i) the name of the proceedings; (ii) the Settlement Class Member's full name, current mailing address, and telephone number; (iii) a statement of the specific grounds for the objection, as well as any documents supporting the objection; (iv) the identity of any attorneys representing the objector; (v) a statement regarding whether the Settlement Class Member (or his/her attorney) intends to appear at the Final Approval Hearing; (vi) a statement identifying all class action settlements objected to by the Settlement Class Member in the previous 5 years; and (vii) the signature of the Settlement Class Member or the Settlement Class Member's attorney.

12. Any Settlement Class Member who fails to comply with the provisions in Paragraph 11 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 Order, and by all proceedings, orders, and judgments in this matter, including, but not limited to, the release in the Settlement Agreement if a Final Approval Order and Judgment is entered. If a Final Approval 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, the motion for Service Awards, or the motion for Fee Award and Expenses.

13. **Termination of Settlement.** This 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 Order, relating to the Settlement shall be used or referred to for any purpose whatsoever.

14. **Use of Order.** This Order shall be of no force or effect if a Final Approval Order and Judgment is not entered or there is no Effective Date and shall not be construed or used as an admission, concession, or declaration by or against Defendant of any fault, wrongdoing, breach, liability, or the certifiability of any class. Nor shall this Order be construed or used as an admission, concession, or declaration by or against the Settlement Class Representative 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 litigation or in any other lawsuit.

15. **Stay of Proceedings and Temporary Injunction.** Until otherwise ordered by the Court, the Court stays all proceedings in the Action other than proceedings necessary to carry out or enforce the terms and conditions of the Settlement Agreement. Pending final determination of whether the Settlement should be approved, the Court bars and enjoins Plaintiff, and all other

members of the Settlement Class, from commencing or prosecuting any and all of the Released Claims against the Released Entities.

16. **Settlement Fund.** The contents of the Settlement Fund shall be deemed and considered to be *in custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as funds shall be distributed pursuant to the Settlement Agreement and/or further order(s) of the Court.

17. **Taxes.** The Settlement Administrator is authorized and directed to prepare any tax returns and any other tax reporting form for or in respect to the Settlement Fund, to pay from the Settlement Fund any taxes owed with respect to the Settlement Fund, and to otherwise perform all obligations with respect to taxes and any reporting or filings in respect thereof without further order of the Court in a manner consistent with the provisions of the Settlement Agreement.

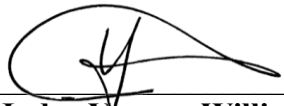
18. The Court retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.

19. **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 Order include but are not limited to:

<u>Grant of Preliminary Approval</u>	
DCHBX provides list of Settlement Class Members to the Settlement Administrator	November 20, 2024
Long Form and Short Form Notices Posted on the Settlement Website	December 13, 2024
Notice Deadline	December 28, 2024
Class Counsel's Motion for Attorneys' Fees, Reimbursement of Litigation Expenses, and Class Representative Service Award	December 29, 2024
Objection Deadline	January 12, 2025
Exclusion Deadline	January 12, 2025
Settlement Administrator Provide List of Objections/Exclusions to the Court and Settlement Administrator	January 19, 2025

Motion for Final Approval	February 7, 2025
<u>Final Approval Hearing</u>	February 21, 2025 at 9:30 a.m. in virtual Courtroom 212
Claims Deadline	March 28, 2025
<u>Final Approval</u>	
Effective Date	+1 day after all conditions met pursuant to ¶ 30 of Settlement Agreement
Payment of Attorneys' Fees and Expenses Class Representative Service Award	+30 days after Effective Date
Payment of Claims	+30 days of the Effective Date, or +60 days after the Claims Deadline, whichever is later
Settlement Website Deactivation	+120 days after Effective Date

IT IS SO ORDERED.


Judge Yvonne Williams

Date: November 13, 2024

Copies to:

Gary E. Mason
Counsel for Plaintiff

Thomas A. Coulter
Counsel for Defendant