UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF PENNSYLVANIA

JUAN ANAYA, MARILYN BORNE, DREW DION, KELVIN JAMES, KEVIN MAHLE, KYLE REYNOLDS, VIRGINIA ROMANO, EDWARD SKIBINSKI, CELIA SKORUPSKI, ROBERT ANGULO, TAMI SMITH, SANDRA WEYERMAN, PEYTON MCQUILLEN, MARK HARRELL, MICHELLE PETTIFORD, BONNIE COLLINS-WHITE, JAMES SOWARD, KATELYN SKOWRONSKI, ROBERT MOSKOWITZ, IVERY JOHNSON, THEODORE TSANGARINOS, TUAN NGUYEN, DEBRA BROWN, LISA DESMET, BRIDGET REARDON, MICHAEL WILLIAMSON, AMANDA TUCKER, and MARGIE LOPEZ individually and on behalf of all others similarly situated,

Plaintiffs,

v.

CENCORA, INC., *et al.*,

Defendants.

Case No. 2:24-cv-02961-CMR

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

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I. INTRODUCTION

Plaintiffs' motion for final settlement approval marks the successful conclusion of a complex class action against Defendants Cencora, Inc. and The Lash Group, LLC, which is now known as Cencora Patient Services, LLC (collectively, "Cencora" or "Defendants"),[1] on behalf of a class of individuals whose Personal Information was stolen in the Incident that Cencora publicly disclosed on February 27, 2024. The $40 million all-cash, non-reversionary Settlement Fund is, by all measures, an excellent recovery and will result in substantial monetary benefits for the Settlement Class.

Following entry of the Court's Preliminary Approval Order (ECF Nos. 118, 125), the Settlement Administrator, Kroll Settlement Administration LLC ("Kroll"), implemented the Notice Plan. Class Counsel are pleased to report that the Class Members' reaction to the Settlement has been overwhelmingly positive. To date, 6.5% of approximately 10.6 million known Class Members have filed a Claim Form for Settlement benefits. *See* Declaration of Lindsey Marquez of Kroll ("Kroll Decl.") ¶20.[2] The participation rate, which will continue to increase as Claim Forms are processed, is exceptional and far exceeds the claims rates in the vast majority of similar data breach settlements. Furthermore, out of a Settlement Class of approximately 10.6

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[1] Unless otherwise indicated, capitalized terms herein shall have the same definition as set forth in Section 2 ("Definitions") and Section 4.7 ("Settlement Payments") of the Class Action Settlement Agreement and Release ("Settlement Agreement") filed at ECF No. 117-2.

[2] The reference to "approximately 10.6 million known Class Members" represents the number of unique persons identified by Cencora as known to have been impacted by the Incident and provided to Kroll for notice purposes. Kroll Decl. ¶7 (identifying 10,574,473 unique records on the Settlement Class List that were sent Summary Notice). Cencora also identified approximately 1.1 million additional persons impacted by the Incident for whom Cencora did not have complete contact information. Declaration of Gregory T. Parks in Support of Plaintiffs' Motion for Preliminary Approval of Class Action Settlement ("Parks Decl.") ¶¶5–7 (ECF No. 117-5). For purposes of this motion, claims rates and other figures are calculated based off the notice population of approximately 10.6 million persons.

million known persons, only *one* objection was filed (ECF No. 126) and 124 requests for exclusion were received. *Id.* ¶24.[3] Based on the Settlement's plan of allocation, each non-California Class Member who elected to receive a *pro rata* cash payment currently is estimated to receive approximately $26.00, while each California Class Member who elected the same is estimated to receive approximately $52.00. *Id.* ¶22. The final payment amounts will be determined as claims processing and determinations are completed. Additionally, each Class Member who submitted an Approved Claim for a Documented Loss Payment related to the Incident will be reimbursed their out-of-pocket losses, in part or in whole, up to $5,000. *Id.* This is a tremendous result for participating Settlement Class Members.

The issue now before the Court is whether the Settlement is fair, reasonable, and adequate within the meaning of Federal Rule of Civil Procedure ("Rule") 23(e)(2). As discussed in Plaintiffs' preliminary approval motion (ECF No. 117-7), the Settlement was negotiated at arm's length with a nationally respected mediator, Judge Diane M. Welsh (Ret.), between experienced counsel who have settled some of the largest data breach class actions. It is an excellent result for the Settlement Class that is comparable or superior to other approved settlements involving data breaches of this magnitude.

The Court's decision to grant preliminary approval necessarily entailed a determination that the Court "will likely be able to" grant final approval of the proposed settlement under Rule 23. *See Lundeen v. 10 W. Ferry St. Operations LLC*, 156 F.4th 332, 341 n.10 (3d Cir. 2025). Nothing has changed in the record upon which this Court previously granted preliminary approval—aside from the successful implementation of the Notice Plan, which demonstrates that

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[3] Kroll received 119 timely requests for exclusion and five (5) untimely requests for exclusion that the Parties have agreed to accept. Kroll Decl. ¶24.

the Settlement has been well received by the Settlement Class. For these reasons and those that follow, Plaintiffs respectfully request that the Court grant final approval of the Settlement. Defendants do not oppose the relief sought in this motion.

II. FACTUAL BACKGROUND

The Court is aware of the facts and circumstances surrounding this litigation and the Settlement. For the purposes of brevity and efficiency, Plaintiffs incorporate by reference the Factual Background outlined in Plaintiffs' Memorandum of Law in Support of Plaintiffs' Unopposed Motion for Preliminary Approval of Class Action Settlement Agreement and Release (ECF No. 117-7 at 2–5) and Plaintiffs' Memorandum of Law in Support of Their Motion for Attorneys' Fees, Litigation Costs and Expenses, and Service Awards (ECF No. 130-1 at 4–9).

III. TERMS OF THE SETTLEMENT

A. The Proposed Settlement

1. Settlement Class

The proposed, preliminarily certified Settlement Class is defined as:

> [A]ll individuals or other persons in the United States and its territories whose Personal Information was involved in the Incident, to whom Cencora provided Incident Notice or who were on Inquiry Notice. Excluded from the Settlement Class are: (1) the Judge(s) presiding over the Action and members of their immediate families and their staff; and (2) Cencora, its subsidiaries, parent companies, successors, predecessors, and any entity in which Cencora or its parents have a controlling interest, and any current or former members of Cencora's Executive Leadership Team, Executive Management Committee, or Board of Directors. However, any other current or former employees of Cencora or any of its affiliates to whom Cencora provided Incident Notice and whose Personal Information was involved in the Incident are included in the Settlement Class. Persons who properly execute and submit a valid Request for Exclusion prior to the expiration of the Exclusion Deadline shall be excluded from the Class.

Settlement Agreement ("SA") ¶2.47.

2. Settlement Benefits for Class Members

Under the Settlement Agreement, Cencora must pay, or cause to be paid, $40 million in cash into a non-reversionary Settlement Fund. *Id.* ¶¶2.49, 4.2, 4.3, 4.4. The Settlement Fund will be used to pay for: (i) all Administrative Expenses; (ii) any Taxes on income earned by the fund; (iii) reasonable escrow fees; (iv) any Court-awarded Service Awards; (v) any Fee Award and Costs; (vi) the Settlement Payments and/or Settlement Benefits, pursuant to the terms and conditions of the Agreement; and (vii) any mediation fees. *Id.* ¶4.5. The Net Settlement Fund will be used to pay for Approved Claims submitted by Class Members. *Id.*¶¶ 2.4, 2.30, 2.46, 4.3, 4.5, 4.7(g). Class Members may submit a claim for either a Documented Loss Payment in an amount up to $5,000, or a Cash Fund Payment. *Id.* ¶¶4.7(a), 4.7(b), 4.7(g).

a. Documented Loss Payments

Class Members who incurred monetary losses that are more likely than not a result of the Incident were able to submit Documented Loss Payment claims seeking up to $5,000 for the reimbursement of such losses. *Id*. ¶¶2.46, 4.7(a). Documented Losses must be supported by Reasonable Documentation demonstrating that a Class Member actually incurred unreimbursed losses and consequential expenses that are more likely than not traceable to the Incident and were incurred between September 1, 2023, and the Claims Deadline. *Id*. ¶¶2.17, 4.7(a). If the Settlement Administrator rejects a Documented Loss Payment claim as deficient and the Class Member does not timely cure the defect when notified of it, the claim will be considered a claim for a Cash Fund Payment, provided the Claimant is a member of the Settlement Class. *Id*. ¶¶4.7(a), 4.7(e). Documented Loss Payments are capped at $5 million in the aggregate, and that total was not exceeded in the claims process. *Id.* ¶4.7(g)(iii); Kroll Decl. ¶22.

b. Cash Fund Payments

In lieu of a claim for a Documented Loss Payment, Class Members were able to submit a claim for a Cash Fund Payment. SA ¶¶4.7(b), 4.7(g). Under the Settlement Agreement, the Settlement Administrator calculates Cash Fund Payments as follows: each Class Member from a state other than California with an approved Cash Fund Payment claim will receive an equal share of the amount remaining in the Settlement Fund after Documented Loss Payments, Fee Award and Costs, Service Awards, and Administrative Expenses are deducted; California Class Members will receive a payment that is twice that paid to non-California Class Members to account for statutory damages that are available under California law (e.g., the California Confidentiality of Medical Information Act ("CMIA") and California Consumer Privacy Act of 2018 ("CCPA")). *Id.* ¶4.7(g). The size of each Cash Fund Payment depends upon the value of Documented Loss Payments and the number of Class Members that submit claims.

c. Data Security Commitments and Business Practice Changes

In addition to creating the $40 million Settlement Fund, Cencora agreed to adopt, maintain, and/or implement enhanced data and information security measures, at its expense, that are designed to strengthen Cencora's information security. *Id.* ¶4.1. The Settlement Agreement allows Cencora to replace these security measures with equivalent or more robust security measures (such as with more advanced technology and capabilities that become available or to better address assessed security risks to its information systems). *Id.* These security enhancements directly benefit every Settlement Class Member irrespective of whether they file a Claim Form and also will benefit non-Class Members whose Personal Information may already be in, or may come into, Cencora's possession or control.

3. Residual Funds After Distribution

To the extent any monies remain in the Net Settlement Fund for more than 120 days after the distribution of all Settlement Payments to Class Members, subsequent Settlement Payments may be made, if economically practicable, to all Class Members with Approved Claims who cashed or deposited the initial payment they received. *Id.* ¶4.7(i). Each such Class Member shall receive an equal share of the remaining funds. Should it be economically impracticable to distribute any residual funds or should second-distribution funds remain in the Settlement Fund after an additional 180 days following a secondary distribution, the Parties shall meet and confer regarding the appropriate disposition of any such funds, with the proposed distribution to be presented to the Court for approval. *Id.* No settlement funds will revert to Cencora. *Id.* ¶4.7(k).

4. Proposed Class Representative Service Awards

The Settlement provides that Class Counsel may separately petition the Court (as part of their motion for a Fee Award and Costs) for approval of Service Awards in the amount of $1,500 to each of the 28 proposed Class Representatives (total of $42,000) in recognition of their role in this Action and its resolution. *Id*. ¶¶2.14, 9.1(a). Plaintiffs filed a Motion for Attorneys' Fees, Litigation Costs and Expenses, and Service Awards, on December 4, 2025. *See* ECF Nos. 130 and 130-1 ("Fee Motion").

5. Attorneys' Fees and Reimbursements of Costs and Expenses

Under the Settlement, Class Counsel may file a motion for an award of attorneys' fees and reimbursement of litigation costs and expenses (i.e., the Fee Award and Costs) no greater than one-third of the Settlement Fund and no later than 14 days prior to the Exclusion/Objection Deadline. SA ¶¶2.23, 9.2(a). The Parties did not discuss or reach agreement on the amount of the attorneys' fees that Plaintiffs would seek. *Id.* ¶9.2(a); ECF No. 117-3, Joint Declaration of Proposed Settlement Class Counsel in Support of Plaintiffs' Unopposed Motion for Preliminary

Approval of Class Action Settlement Agreement and Release ("Prelim. Approval Counsel Decl.") ¶40. As noted above, Plaintiffs filed the Fee Motion on December 4, 2025, requesting an attorneys' fee award of up to one-third of the Settlement Fund, consistent with numerous precedents in this District and the Third Circuit, as well as reimbursement of necessarily incurred litigation costs and expenses. ECF Nos. 130, 130-1, and 130-2. Any approved Fee Award and Costs will be paid out of the Settlement Fund. SA ¶¶2.23, 2.30, 9.2(g). The Settlement is not conditioned upon the Court's award of attorneys' fees, expense reimbursement, or Service Awards. *Id.* ¶¶9.2(d), 9.2(e).

6. Dismissal and Release of Claims

In exchange for the Settlement Benefits provided under the Settlement Agreement, Class Members release the Released Parties from the Released Claims. *Id.* ¶¶2.40, 2.41, 8.1. The Releases are narrowly tailored to the claims made in the lawsuit related to the Incident. In addition, Cencora agrees not to sue Class Members for any claims relating to the institution, maintenance, or prosecution of the Released Claims. *Id.* ¶8.2.

B. Notice Plan and Claims Process

Pursuant to the Notice Plan, Kroll received from Cencora's Counsel data files containing approximately 10.6 million records of persons whose Personal Information was affected by the Incident. *See* Kroll Decl. ¶7. Kroll used these files to create the Settlement Class List for the dissemination of Summary Notice in postcard form ("Postcard Notice") and email form ("Email Notice"). *Id.* Prior to disseminating Postcard Notice and Email Notice, Kroll deduplicated the data on the Settlement Class List, validated mailing addresses, ran address traces and email searches where data was incomplete, and ran the final Settlement Class List through the USPS's National Change of Address ("NCOA") database to obtain the most up to date mailing and/or email address information. *Id.* Beginning on September 19, 2025, Kroll disseminated the Postcard Notice and Email Notice. *Id.* ¶¶10–11. Kroll mailed Postcard Notice by First-Class

U.S. Mail to more than 8.2 million individuals for whom a mailing address was provided by the Settlement Class List (or Kroll's subsequent update using the Postal Service's NCOA database). *Id.* ¶10 and Exhibit D. Kroll sent the Email Notice to approximately 703,000 individuals for whom email records were provided by the Settlement Class List (or subsequent research by Kroll). *Id.* ¶11 and Exhibit G.

For any postcards that were returned, Kroll either automatically re-mailed the Postcard Notice to a forwarding address (if provided) or used an advanced address search process to find a more current address for that Class Member. *Id.* ¶¶16–17. In addition, of the approximately 150,000 emails that bounced back as undeliverable, Kroll conducted an address search, resulting in approximately 84,000 new mailing addresses to which Postcard Notice was sent via First-Class U.S. Mail on November 14, 2025. *Id.* ¶11. Furthermore, Kroll ran an advanced address search for approximately 1.2 million records that had complete address information but for which the Incident Notice was undeliverable and for which the initial email search did not yield an email address. *Id.* ¶12. This advanced address search resulted in more than 764,000 new mailing addresses to which Postcard Notice was sent via First-Class U.S. Mail on November 14, 2025. *Id.*

Kroll also issued a press release concerning the Settlement that was distributed via national news wires. *Id.* ¶¶13–14 and Exhibit H. Cencora published the same announcement of the Settlement on the websites of The Lash Group, LLC, TheraCom L.L.C., MWI Veterinary Supply, Inc., and Amerisourcebergen Specialty Group, LLC. SA ¶5.5. These additional notice efforts were geared toward providing notice of the Settlement to other potential Class Members for whom Cencora did not have full contact information. Parks Decl. ¶7. Further, Cencora caused notice of the Settlement to be timely served on the appropriate government officials, as required by 28 U.S.C. §1715. ECF No. 121 ¶¶4–5; *see also* Kroll Decl. ¶¶4–5 and Exhibits A–C.

Additionally, Kroll established, is maintaining, and periodically updates a dedicated Settlement Website (www.CencoraIncidentSettlement.com). *Id.* ¶9. The Settlement Website provides information about how to submit Claim Forms (including electronic Claim Form submission through the Settlement Website itself); answers to frequently asked questions; and relevant case documents, including the Long Form Notice, the Claim Form, the Settlement Agreement, the Amended Preliminary Approval Order entered by the Court, the operative Complaint in the Action, the motion for a Fee Award and Costs, and the motion for final approval. *Id.* and Exhibits E and F. The Settlement Website notified the Settlement Class of the updated date, time, and place of the Final Approval Hearing, as well as the Claims Deadline, Exclusion Deadline, and Objection Deadline. *Id.* Kroll also established a toll-free help line, mailing address, and email address, all of which Class Members could use to obtain additional Settlement information, and it included these on the Settlement Website; the telephone number also was included in the mailed Postcard Notice. *Id.* ¶¶6–9 and Exhibit D.

Kroll estimates that Postcard Notice and Email Notice reached over 86.76%[4] of known Class Members. *Id*. ¶18. After conducting the Notice Plan, a total of 124 requests for exclusion were received, and only one objection was filed. *Id.* ¶24. In other words, of the approximately 10.6 million known Class Members whose data was contained on the Settlement Class List, only 0.0012% of the Class elected to request exclusion from, or object to, the Settlement. As

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4 A notice plan that achieves over 85% reach is an outstanding result by any measure. *See* FED. JUD. CTR., *Judges' Class Action Notice and Claims Process Checklist and Plain Language Guide*, at 3 (2010), www.fjc.gov/sites/default/files/2012/NotCheck.pdf ("A high percentage [of the class] (e.g., between 70–95%) can often reasonably be reached by a notice campaign[]"); *see also In re Restasis (Cyclosporine Ophthalmic Emulsion) Antitrust Litig.*, 527 F. Supp. 3d 269, 273 (E.D.N.Y. 2021) (citation omitted) (observing that "a notice plan that reaches between 70 and 95 percent of the class is reasonable," and endorsing a notice plan with 80% expected reach).

of January 20, 2026, Kroll has received more than 688,000 Claim Forms, which amounts to a 6.5% claims rate. *Id.* ¶20. This claims rate is higher than many other data breach class action settlements. *Id. See, e.g.*, *Gravley v. Fresenius Vascular Care, Inc.*, 2025 WL 2099219, at *5 (E.D. Pa. July 24, 2025) (stating that a "claims rate of 3.83% is a relatively high response rate in data breach class actions") (citation omitted); *see also In re Forefront Data Breach Litig.*, 2023 WL 6215366, at *4 (E.D. Wis. Mar. 22, 2023) (finding "claims rate of 1.46% is generally in line with the rate experienced in other data breach class actions"); *In re Anthem, Inc. Data Breach Litig.*, 327 F.R.D. 299, 321 (N.D. Cal. 2018) (approving settlement with 1.8% claims rate). The rate will likely continue to increase as claims will continue to be received and processed after the January 19, 2026 Claims Deadline.

Based on the present claims rate and claimed amounts, Kroll presently estimates the *pro rata* Cash Fund Payment amount will be $26.00 for non-California Class Members, and $52.00 for California Class Members. Kroll Decl. ¶22. Additionally, because the cumulative amount of Documented Loss Payments is less than $5,000,000, all valid and approved Documented Loss Payments are anticipated to be paid, in part or in full, up to the maximum Documented Loss Payment of $5,000 per Class Member. *Id.*

IV. ARGUMENT

The Third Circuit has repeatedly recognized that "there is an overriding public interest in settling class action litigation, and it should therefore be encouraged." *In re Warfarin Sodium Antitrust Litig.*, 391 F.3d 516, 535 (3d Cir. 2004); *see also In re Gen. Motors Corp. Pick-Up Truck Fuel Tank Prods. Liab. Litig.*, 55 F.3d 768, 784 (3d Cir. 1995) ("The law favors settlement, particularly in class actions and other complex cases where substantial judicial resources can be conserved by avoiding formal litigation.").

To receive court approval, Rule 23(e)(2) requires that a class action settlement be "fair, reasonable, and adequate." Fed. R. Civ. P. 23(e)(2); *In re Generic Pharms. Pricing Antitrust Litig.*, 2025 WL 3230907, at *1 (E.D. Pa. Nov. 19, 2025) (Rufe, J.); *In re Generic Pharms. Pricing Antitrust Litig.*, 2025 WL 2777570, at *1 (E.D. Pa. Sept. 26, 2025) (Rufe, J.); *In re Generic Pharms. Pricing Antitrust Litig.*, 2025 WL 845896, at *1 (E.D. Pa. Mar. 17, 2025) (Rufe, J.). To determine whether a settlement is "fair, reasonable, and adequate," the Court must:

> [C]onsider[] 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, taking into account: (i) the costs, risks, and delay of trial and appeal; (ii) the effectiveness of any proposed method of distributing relief to the class, including the method of processing class-member claims; (iii) the terms of any proposed award of attorney's fees, including timing of payment; and (iv) any agreement required to be identified under Rule 23(e)(3); and (D) the proposal treats class members equitably relative to each other.

Fed. R. Civ. P. 23(e)(2).

To be fair, reasonable, and adequate, however, a settlement need not be perfect. *See Chester Upland Sch. Dist. v. Pa.*, 284 F.R.D. 305, 323–24 (E.D. Pa. 2012) (citation modified) (noting that a court should not "withhold approval simply because the settlement may not be the best settlement"); *Dauphin Island Prop. Owners Ass'n v. United States*, 90 Fed. Cl. 95, 107 (2009) ('"[A] settlement agreement achieved through good-faith, non-collusive negotiation does not have to be perfect, just reasonable, adequate, and fair.'") (quoting *Joel A. v. Giuliani*, 218 F.3d 132, 144 (2d Cir. 2000)); *In re Onix Grp., LLC Data Breach Litig.*, 2024 WL 5107594, at *11 (E.D. Pa. Dec. 13, 2024) ("*Onix Grp.*") (collecting cases for proposition that courts frequently overrule objections to class action settlements where objectors assert the settlement "does not do enough for class members" and "should have been better").

Courts in the Third Circuit also consider the following nine factors under *Girsh v. Jepson*, 521 F.2d 153 (3d Cir. 1975), in determining whether a settlement is fair, reasonable, and adequate:

(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.

Warfarin, 391 F.3d at 534–35 (citation modified). Courts in this District have recognized that the Rule 23(e)(2) and *Girsh* factors "substantially overlap" with one another. *See, e.g.*, *Onix Grp.*, 2024 WL 5107594, at *8 n.7.

In addition to the *Girsh* factors, the Third Circuit set forth additional, optional factors that reviewing courts may consider when deciding whether to approve a proposed class action settlement in *In re Prudential Insurance Company America Sales Practice Litigation Agent Actions*, 148 F.3d 283, 324 (3d Cir. 1998), and further clarified them in *In re Pet Food Products Liability Litigation*, 629 F.3d 333, 350 (3d Cir. 2010). The *Prudential* factors largely overlap with the *Girsh* factors and are non-exclusive. Unlike the *Girsh* factors, however, only the *Prudential* factors relevant to the litigation need to be addressed. *Prudential*, 148 F.3d at 323–24. The *Prudential* factors are:

(1) the maturity of the underlying substantive issues, as measured by experience in adjudicating individual actions, the development of scientific knowledge, the extent of discovery on the merits, and other factors that bear on the ability to assess the probable outcome of a trial on the merits of liability and individual damages;
(2) the existence and probable outcome of claims by other classes and subclasses;
(3) the comparison between the results achieved by the settlement for individual class or subclass members and the results achieved—or likely to be achieved—for other claimants;
(4) whether class or subclass members are accorded the right to opt out of the settlement;
(5) whether any provisions for attorneys' fees are reasonable; and

(6) whether the procedure for processing individual claims under the settlement is fair and reasonable.

Id. (citation modified).

Finally, the Third Circuit has directed courts reviewing settlements to assess "the degree of direct benefit provided to the class[,]" as opposed to *cy pres* awards and other benefits. *In re Baby Prods. Antitrust Litig.*, 708 F.3d 163, 174 (3d Cir. 2013). Accordingly, "a district court may consider, among other things, the number of individual awards compared to both the number of claims and the estimated number of class members, the size of the individual awards compared to claimants' estimated damages, and the claims process used to determine individual awards." *Id.*

The proposed Settlement satisfies the requirements of Rule 23(e)(2), the *Girsh* and *Baby Products* factors, and the relevant *Prudential* factors, and should be granted final approval.

A. The Presumption of Fairness Applies

In the Third Circuit, a settlement is entitled to "an initial presumption of fairness" where '"(1) the negotiations occurred at arm's length; (2) there was sufficient discovery; (3) the proponents of the settlement are experienced in similar litigation; and (4) only a small fraction of the class objected."' *In re Nat'l Football League Players Concussion Inj. Litig.*, 821 F.3d 410, 436 (3d Cir. 2016), *as amended* (May 2, 2016) (quoting *In re Cendant Corp. Litig.*, 264 F.3d 201, 232, n.18 (3d Cir. 2001)) (citation modified).

This Settlement is entitled to the presumption of fairness. The Parties participated in a full-day, arm's-length mediation with one of the most respected mediators in the country; Class Counsel have extensive experience in this field, and had a firm understanding of the Parties' respective claims and defenses when the Settlement was reached; Plaintiffs received sufficient pre-mediation and confirmatory discovery from Defendants; and there is only one objection to the Settlement. ECF No. 117-3, Prelim. Approval Counsel Decl. ¶¶9–18. Indeed, courts in this

District have applied a presumption of fairness based on a similar record in a data breach class action settlement. *See In re Phila. Inquirer Data Sec. Litig.*, 2025 WL 845118, at *8 (E.D. Pa. Mar. 18, 2025) (finding that a data breach settlement agreement was entitled to a presumption of fairness where, *inter alia*, it was settled through an experienced mediator, class counsel had significant experience and sufficiently evaluated the case prior to reaching a settlement, and where there were no objections filed by a 25,000 person settlement class); *see also Onix Grp.*, 2024 WL 5107594, at *8 (same, even where two objections were filed); *McLachlan v. Bd. of Trs. of Elevator [Constructors] Annuity & 401(k) Ret. Plan*, 2025 WL 1116533, at *5 (E.D. Pa. Apr. 15, 2025) (applying the initial presumption of fairness).

B. Plaintiffs and Class Counsel Adequately Represented the Class

Rule 23(e)(2)(A)'s requirement that the class representatives and class counsel have adequately represented the class is satisfied here. Plaintiffs' Fee Motion and Class Counsel's accompanying declaration include a detailed discussion of Class Counsel's efforts in the litigation, the settlement negotiations, and implementation of the terms of the Settlement Agreement. *See* ECF Nos. 130-1 and 130-2. The result obtained for the Settlement Class here is extraordinary and superior to many data breach settlements approved in this District and other courts across the country. *See infra* §IV(F)(6). It was also the result of a mediation facilitated by Judge Welsh, who is one of the most highly regarded class action mediators in the country and has mediated many class action settlements in data breach cases. *See In re Wawa, Inc. Data Sec. Litig.*, 141 F.4th 456, 462 n.2 (3d Cir. 2025) (describing Judge Welsh as "an experienced mediator . . . who had previously resolved over 5,000 cases"); *Stechert v. Travelers Home & Marine Ins. Co.*, 2021 WL 5235221, at *6 (E.D. Pa. Nov. 9, 2021) (observing that "the parties worked with the Honorable Diane M. Welsh, an experienced mediator, to facilitate arms' length negotiations, which weighs in favor of finding adequacy").

Each Class Representative likewise vigorously pursued the Class's interests. ECF No. 130-2 ¶29; ECF No. 117-3, Prelim. Approval Counsel Decl. ¶37. They devoted significant time and effort assisting Class Counsel with the prosecution of the Class's claims, collecting evidence, completing questionnaires, and producing relevant documents, and reviewing the Settlement. *Id.* The excellent Settlement obtained in this litigation would not have been possible without the efforts of the Class Representatives, who agreed to put their name on the litigation and devote their time for the benefit of others. ECF No. 130-2 ¶¶13, 29.

C. The Relief Provided for the Settlement Class Is Adequate

Kroll estimates that the Cash Fund Payment for each California Class Member and non-Californian Class Member who submitted a valid claim will be approximately $52.00 and $26.00, respectively. Kroll Decl. ¶22. Additionally, each Class Member who submitted an approved claim for a Documented Loss Payment will be reimbursed, in part or in full, for their out-of-pocket losses up to $5,000. *Id*. This is an excellent recovery for the Class considering the costs and risks of continued litigation. As discussed below (*infra* §IV(F)(6)), the recovery here is superior to that achieved in other data breach settlements involving very large classes.

Moreover, the Rule 23(e)(2)(C)(ii) sub-factor regarding the "effectiveness of any proposed method of distributing relief to the class, including the method of processing class-member claims" weighs in favor of approval here. The Notice Plan was comprehensive and consistent with what has been done in other data breach settlements, and the claims filing and claims processing facilitated by the Settlement Website was simple and straightforward. *See Holden v. Guardian Analytics, Inc.*, 2024 WL 2845392, at *3 (D.N.J. June 5, 2024) (finding that a similar notice plan implemented in a data breach settlement "satisf[ied] the requirements of Fed. R. Civ. P. 23 and due process[]"). No Class Members, except those filing claims for Documented Loss Payments, were required to submit any documentation, and claims could be filed electronically. Kroll Decl.

¶9 and Exhibit F.

The Rule 23(e)(2)(C)(iii) sub-factor regarding the "terms of any proposed award of attorney's fees" also weighs in favor of approval here. Class Counsel's proposed fee is reasonable for the reasons explained in the Fee Motion. ECF No. 130-1.

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

The Settlement satisfies the Rule 23(e)(2)(D) requirement that it "treats class members equitably relative to each other." The plan of allocation treats all Class Members fairly in relation to the strengths of their claims. Specifically, the Settlement fairly protects the interests of all parties by providing up to $5,000 to Class Members who suffered documented out-of-pocket losses and cash payments to all other Class Members. *Cf. Onix Grp.*, 2024 WL 5107594, at *15 ("document loss repayment[] and pro rata cash payment will help the class"); *Barletti v. Connexin Software, Inc.*, 2024 WL 1096531, at *1 (E.D. Pa. Mar. 13, 2024) (approving a data breach settlement that provided for, *inter alia*, "reimbursement for out-of-pocket expenses, or an alternative cash payment as their compensation[]"). Class Members from California receive twice the Cash Fund Payment compared to Class Members from other states to reflect their high-value statutory claims for damages under the CMIA and CCPA. The larger payment to California Class Members has a *de minimis* effect on the payment that non-Californians would have otherwise received. *See* Kroll Decl. ¶22. This is a reasonable and fair means of apportioning settlement benefits.

E. The Settlement Was Negotiated at Arm's Length

The Settlement also satisfies Rule 23(e)(2)(B)'s requirement that the proposal be "negotiated at arm's length." The Settlement resulted from arm's-length negotiations between experienced counsel with an understanding of the strengths and weaknesses of their respective positions, assisted by Judge Welsh, a neutral and highly experienced mediator. ECF No. 117-3, Prelim. Approval Counsel Decl. ¶¶14–16; *see also* Decl. of Hon. Diane M. Welsh (ECF No. 117-4). These circumstances weigh in favor of approval.

F. The *Girsh* Factors Favor Approval

Even when a settlement "is entitled to an initial presumption of fairness," the Court must nonetheless consider each of the *Girsh* factors "to confirm that the settlement is fair, reasonable, and adequate." *Phila. Inquirer*, 2025 WL 845118, at *8. Although distinct, these factors "substantially overlap" with the factors set forth in Rule 23(e)(2). *See Hall v. Accolade, Inc.*, 2020 WL 1477688, at *6 n.11 (E.D. Pa. Mar. 25, 2020) ("The *Girsh* factors predate the recent revisions to Rule 23, which now explicitly identifies the factors that courts should apply in scrutinizing proposed class settlements, and the earlier discussion in *Girsh* substantially overlaps with the factors now identified in Rule 23."). Here, each of the *Girsh* factors weigh in favor of approval or are neutral, further demonstrating that the Settlement is fair, reasonable, and adequate, and should be granted final approval.

1. The Complexity, Expense, and Likely Duration of the Litigation

Class Counsel obtained a common fund settlement here that is excellent by comparison to other approved data breach settlements. In the absence of settlement, the expense, duration, and complexity of protracted litigation would be substantial. Continued litigation and/or non-approval of this Settlement could have exposed the Class to no recovery whatsoever. Indeed, data breach class action lawsuits have often been dismissed at the pleadings stage. *See, e.g., In re Retreat Behav. Health LLC*, 2024 WL 1016368, at *3 (E.D. Pa. Mar. 7, 2024) (dismissing data breach class action on standing grounds where plaintiffs did not allege that their sensitive data was published, e.g., on the dark web, or misused). Continued proceedings necessary to litigate this matter to final judgment would likely include substantial motion practice, extensive fact discovery, class certification proceedings and a potential Rule 23(f) appeal, dispositive motions and, of course, a trial and appeal. *See Holden*, 2024 WL 2845392, at *5 (finding that this *Girsh* factor militated in favor of approval in a data breach case).

Given the complex nature of the data breach, a battle of the experts at trial is almost a certainty, and, as such, continued proceedings would likely include substantial expert discovery and significant related motion practice. Further, given the complexity of the issues and the amount in controversy, the defeated party would likely appeal any decision on the merits, as well as any decision on class certification. *See, e.g.*, *Maldini v. Marriott Int'l, Inc.*, 140 F.4th 123 (4th Cir. June 3, 2025) (decertifying class for second time in data breach class action litigation). This factor "weighs heavily" in a court's review of a proposed settlement and supports final approval here. *Cendant*, 264 F.3d at 233; *see also Phila. Inquirer*, 2025 WL 845118, at *9 (finding this factor to be "*easily* met" in a data breach class action settlement (emphasis added)).

2. The Reaction of the Class to the Settlement

The Settlement Class's reaction to the Settlement also weighs heavily in favor of final approval. Typically, the reaction of the class is reviewed by looking at the percentage of objections and opt-outs received in relation to the class as a whole. *See, e.g.*, *Bell Atlantic Corp. v. Bolger*, 2 F.3d 1304, 1313–14 (3d Cir. 1993) ("Less than 30 of approximately 1.1 million shareholders objected. This small proportion of objectors does not favor derailing settlement"); *Sweda v. Univ. of Penn.*, 2021 WL 5907947, at *4 (E.D. Pa. Dec. 14, 2021) ("The Court finds that the low number of objections [two] weighs in favor of final approval.").

As of January 20, 2026, Kroll has received more than 688,000 Claim Forms. Kroll Decl. ¶20. Only one Class Member out of approximately 10.6 million known Class Members has objected to the Settlement, and just 124 Class Members have requested to opt out of the

Settlement.[5] *Id.* ¶24. This factor strongly supports approval of the Settlement. *See Bell Atlantic Corp.*, 2 F.3d at 1313–14.

3. The Stage of the Proceedings and the Amount of Discovery Completed

The amount and nature of the discovery conducted by Plaintiffs supports final approval or is at least neutral. Class Counsel conducted extensive and lengthy interviews of Plaintiffs, reviewed the Plaintiffs' documentation, and analyzed the applicable laws of Pennsylvania and other jurisdictions regarding breaches of customers' Personal Information prior to filing their respective initial complaints. *See* ECF No. 117-3, Prelim. Approval Counsel Decl. ¶9. Plaintiffs negotiated discovery protocols and served extensive formal document requests. *Id.* ¶¶9, 13. Plaintiffs also engaged in robust informal discovery in advance of the mediation, reviewing documents and materials that Defendants produced prior to the mediation session, and conducted confirmatory discovery to confirm the Settlement's fairness. *Id.* ¶15. Class Counsel's well-informed decision as to the adequacy of the proposed Settlement weighs in favor of final approval. *See Phila. Inquirer*, 2025 WL 845118, at *9 (finding this *Girsh* factor to support the settlement—even though it was reached "somewhat early in the litigation process"—where class counsel had adequately evaluated their case); *Onix Grp.*, 2024 WL 5107594, at *9 (same where the parties had not commenced formal discovery, but class counsel had "exchanged informal discovery with Defendant prior to mediation . . . ."); *Fulton-Green v. Accolade, Inc.*, 2019 WL 4677954, at *10 (E.D. Pa. Sept. 24, 2019) ("[E]ven at this early stage of the proceedings, a reasonable amount of

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[5] None of the attorneys general or other governmental officials that were provided with notice of the Settlement in accordance with the Class Action Fairness Act objected. *See Noll v. eBay, Inc.*, 309 F.R.D. 593, 608 (N.D. Cal. 2015) ("Although CAFA does not create an affirmative duty for either state or federal officials to take any action in response to a class action settlement, CAFA presumes that, once put on notice, state or federal officials will raise any concerns that they may have during the normal course of the class action settlement procedures.") (citation omitted).

informal discovery has been done - enough to give both sides a fairly accurate view of continued litigation"); *In re Processed Egg Prod. Antitrust Litig.*, 284 F.R.D. 249, 267 (E.D. Pa. 2012) (granting final approval where "no formal discovery was conducted" prior to settlement but counsel conducted informal discovery, including investigation prior to filing the complaint and reviewing records produced by co-defendant).

4. The Risks of Establishing Liability and Damages, and Maintaining the Class Action Through Trial

"The fourth and fifth *Girsh* factors survey the possible risks of litigation in order to balance the likelihood of success and the potential damage award if the case were taken to trial against the benefits of an immediate settlement." *Nat'l Football League Players*, 821 F.3d at 439 (citing *Prudential*, 148 F.3d at 319). "'[T]he risks surrounding a trial on the merits are always considerable.'" *In re Diet Drugs Prods. Liab. Litig.*, 2000 WL 1222042, at *61 (E.D. Pa. Aug. 28, 2000) (quoting *Weiss v. Mercedes–Benz of N. Am., Inc.*, 899 F. Supp. 1297, 1301 (D.N.J. 1995)).

Plaintiffs believe their claims are well-supported but also recognize they are subject to colorable defenses and inherent risks. Were the case to continue, Plaintiffs would face many challenges, particularly obtaining class certification, withstanding motions for summary judgment, defending expert opinions, and maintaining class certification through trial, which is the sixth *Girsh* factor. *See In re CertainTeed Fiber Cement Siding Litig.*, 303 F.R.D. 199, 216 (E.D. Pa. 2014) ("[I]f the parties were to continue to litigate this case, further proceedings would be complex, expensive and lengthy, with contested issues of law and fact. . . ."). Maintaining this case through trial as a class action poses a particular challenge to Plaintiffs. *See In re Nat'l Football League Players' Concussion Inj. Litig.*, 307 F.R.D. 351, 394 (E.D. Pa. 2015) (citing *Zenith Labs., Inc. v. Carter-Wallace, Inc.*, 530 F.2d 508, 512 (3d Cir. 1976)) ("Because class certification is subject to review and modification at any time during the litigation, the uncertainty of maintaining class certification favors settlement."); *see also Onix Grp.*, 2024 WL 5107594, at *10 (citation modified) (emphasizing that "there will always be a risk or possibility of decertification"); *Maldini*, 2025 WL 1560372 (decertifying class for second time). Because this Settlement eliminates these delays and expenses and provides immediate benefit to the Class, approval is appropriate. *See, e.g.*, *CertainTeed Fiber*, 303 F.R.D. at 216.

While these hurdles are present in any class action, data breach cases are particularly risky given the unique issues they raise related to causation and damages. *See In re Citrix Data Breach Litig.*, 2021 WL 2410651, at *3 (S.D. Fla. June 11, 2021) ("Data breach cases in particular present unique challenges with respect to issues like causation, certification, and damages."); *Fulton-Green*, 2019 WL 4677954, at *8 ("This is a complex case in a risky field of litigation because data breach class actions are uncertain and class certification is rare."); *Phila. Inquirer*, 2025 WL 845118, at *9 (noting, in approving data breach settlement, that the case involved "a number of open questions"); *In re Anthem, Inc. Data Breach Litig.*, 327 F.R.D. 299, 318 (N.D. Cal. 2018) ("[T]he dearth of precedent makes continued litigation more risky. The parties have pointed the Court to only one non-settlement data-breach class that has been certified in federal court to date") (citation modified). And several claims in data breach cases, including cases in this Circuit, have failed even at the pleading stage. *See In re Rutter's Data Sec. Breach Litig.*, 511 F. Supp. 3d 514, 523–26 (M.D. Pa. 2021) (dismissing claims of certain plaintiffs who had not experienced fraud but alleged "only possible future injuries and prophylactic measures to avoid those potential injuries"); *Browne v. US Fertility, LLC*, 2021 WL 2550643 (E.D. Pa. June 22, 2021) (same).

The Settlement accounts for and avoids these risks, while maximizing Class Members' recovery. *Girsh* factors four, five, and six therefore favor final approval of the Settlement.

5. The Defendants' Ability to Withstand a Greater Judgment

The seventh *Girsh* factor considers "whether the defendants could withstand a judgment for an amount significantly greater than the settlement." *Warfarin*, 391 F.3d at 537–38 (citation modified). This factor "is most relevant when the defendant's professed inability to pay is used to justify the amount of the settlement." *Nat'l Football League Players*, 821 F.3d at 440. But "when there is no reason to believe that [d]efendants face any financial instability[,] . . . this factor is largely irrelevant." *Phila. Inquirer*, 2025 WL 845118, at *10 (citation modified).

Although Cencora may have the ability to withstand a greater judgment, the favorable result here—a $40 million settlement—compared to the risks and expenses attendant to conducting this litigation and the immediacy of the benefit to Settlement Class Members weigh in favor of approval. *See In re Linerboard Antitrust Litig.*, 321 F. Supp. 2d 619, 632 (E.D. Pa. 2004) ("[T]he settling defendant's ability to pay greater amounts [may be] outweighed by the risk that the plaintiffs would not be able to achieve any greater recovery at trial.").

6. The Range of Reasonableness in Light of the Best Possible Recovery and All Attendant Risks of Litigation.

In evaluating the eighth and ninth *Girsh* factors, courts ask "whether the settlement represents a good value for a weak case or a poor value for a strong case." *Warfarin*, 391 F.3d at 538. "The factors test two sides of the same coin: reasonableness in light of the best possible recovery and reasonableness in light of the risks the parties would face if the case went to trial." *Id.* As such, "[t]his inquiry measures the value of the settlement itself to determine whether the decision to settle represents a good value for a relatively weak case or a sell-out of an otherwise strong case." *Gen. Motors Corp.*, 55 F.3d at 813.

Here, the value achieved through the Settlement is guaranteed, whereas the chances of prevailing on the merits are uncertain. *See Phila. Inquirer*, 2025 WL 845118, at *10 (recognizing the "substantial challenges in maintaining class certification and overcoming the summary judgment hurdle" plaintiffs face in a data breach case). Proceeding with litigation (including because of non-approval of the Settlement) would expose Plaintiffs and the Class to the substantial risks inherent to certifying and maintaining the class and proving Cencora's liability. Plaintiffs' success at trial is far from certain, and every day that passes is another day that Plaintiffs and Class Members go without the compensation provided by the Settlement. Indeed, because a data breach class action *has never actually proceeded to trial*, the maximum recovery is extremely uncertain. A jury may conclude that class members have suffered no harm or damages at all as a result of a data breach. Through the Settlement, however, Plaintiffs and Class Members will gain significant benefits without facing the risk of being denied relief at a later stage of the litigation.

The Settlement's reasonableness is further demonstrated by the fact that it compares very favorably with (and indeed is superior to) settlements in many other data breach cases involving very large classes. *See, e.g.*, *In re Target Corp. Customer Data Sec. Breach Litig.*, 2017 WL 2178306, at *1-2 (D. Minn. May 17, 2017) ($10 million settlement; nearly 100 million class members); Final Approval Mot., *In re MGM Int'l Resorts Data Breach Litig.*, No. 20-cv-376 at ECF Nos. 257 and 257-3 ¶13 (D. Nev. May 2, 2025) ($45 million fund for over 76 million class members); Final Approval Mot., *In re loanDepot Data Breach Litig.*, ECF No. 92 at 1–2 (C.D. Cal. June 27, 2025) ($25 million fund for approximately 16.9 million class members, approved Aug. 25, 2025, ECF No. 96); Final Approval Mot., *In re Experian Data Breach Litig.*, ECF No. 309 at 9 (C.D. Cal. Apr. 8, 2019) ($22 million fund for approximately 15.9 million class members, approved May 29, 2019, ECF No. 329).

G. The *Prudential* Factors Also Favor Approval

"Unlike the *Girsh* factors, each of which the district court must consider before approving a class settlement, the *Prudential* considerations are just that, prudential." *Baby Prods.*, 708 F.3d at 174, and these additional factors "are merely illustrative of additional factors that may be useful." *Murphy v. Eyebobs, LLC*, 638 F. Supp. 3d 463, 486 (W.D. Pa. 2021). Generally, the most relevant *Prudential* factors in a data breach class action settlement involve the maturity of the issues in the cases; whether class or subclass members are accorded the right to opt out of the settlement; whether attorneys' fees are reasonable; and whether the procedure for processing individual claims under the settlement is fair and reasonable. *See Holden*, 2024 WL 2845392, at *7; *Gravley*, 2025 WL 2099219, at *6; *Phila. Inquirer*, 2025 WL 845118, at *11. As with these other data breach settlements, the remaining *Prudential* factors are not relevant here.

Applying the applicable *Prudential* factors demonstrates that the Settlement is fair, reasonable, and adequate, and should receive final approval.

1. Maturity of the Substantive Issues

"The first [*Prudential*] factor—maturity of the underlying substantive issues—substantially mirrors *Girsh* factor three, the stage of the proceedings." *In re Suboxone Antitrust Litig.*, 2024 WL 815503, at *9 (E.D. Pa. Feb. 27, 2024). As set forth above, this factor supports final approval or is at least neutral. A long line of cases, including cases in this Court, find that class action settlements are entitled to approval even where the parties have only engaged in informal discovery. *See Processed Egg*, 284 F.R.D. at 267 (granting final approval where "no formal discovery was conducted" but counsel had conducted investigation prior to filing the complaint and reviewed records and informal discovery produced by defendant); *Onix Grp.*, 2024 WL 5107594, at *9 (same where the parties had not commenced formal discovery, but class counsel had "exchanged informal discovery with Defendant prior to mediation"); *Phila. Inquirer*, 2025 WL 845118, at *9 (similar); *Fulton-Green*, 2019 WL 4677954, at *10 (similar). Likewise here, Class Counsel conducted an extensive investigation into Cencora's conduct, Plaintiffs' experiences, and Plaintiffs' potential claims, and also engaged in robust informal discovery prior to the mediation. ECF No. 117-3, Prelim. Approval Counsel Decl. ¶¶9, 15.

2. Whether Class or Subclass Members Are Accorded the Right to Opt-Out of the Settlement

The fourth *Prudential* factor "considers whether class or subclass members are accorded the right to opt out of the settlement." *Suboxone Antitrust*, 2024 WL 815503, at *10. Here, the Settlement Agreement provided Class Members with the right to opt-out of the Settlement, which was set forth in the Notice that was sent to Class Members, and in the Long Form Notice that was posted on the Settlement Website. *See* SA ¶¶ 5.10, 5.11. According to Kroll, 124 Class Members have exercised this right and opted out of the Settlement. Kroll Decl. ¶24. This *Prudential* factor therefore weighs in favor of final approval. *See In re HealthEC LLC Data Breach Litig*., 2025 WL 1603267, at *11 (D.N.J. June 6, 2025) (finding this factor satisfied in data breach class action because settlement agreement contained opt-out provisions).

3. Whether Any Provisions for Attorneys' Fees Are Reasonable

The fifth *Prudential* factor assesses "whether any provisions for attorneys' fees are reasonable[.]" *Pet Food*, 629 F.3d at 350 (citing *Prudential*, 148 F.3d at 323). As explained in Plaintiffs' Motion for Preliminary Approval (ECF Nos. 117 & 117-7), and Fee Motion (ECF No. 130-1), the Settlement's attorneys' fees provision is reasonable. The Settlement Agreement states that Class Counsel may seek attorneys' fees up to one-third of the Settlement Fund, subject to Court approval, to be paid from the Settlement Fund. SA ¶9.2(a). This amount is reasonable and well within the range of fees approved by this Court in common fund class action settlements. *See* ECF No. 130-1 at 12–13. As such, this *Prudential* factor weighs in favor of final approval. *See Phila. Inquirer*, 2024 WL 4582881, at *11 (citation modified) (finding this *Prudential* factor weighed in favor of approval where settlement contained provision "for proposed attorney's fees of no more than 33.3% of the settlement," because "courts in the Third Circuit have identified contingent fee requests of this magnitude as squarely within the range of awards found to be reasonable[]"); *Holden*, 2024 WL 2845392, at *7 (same). Notably, no Class Member objected to the request for attorneys' fees.

4. Whether the Procedure for Processing Individual Claims Under the Settlement Is Fair and Reasonable

The claims procedure set forth in the Settlement Agreement and implemented by Kroll is fair and reasonable. Class Members were notified of the Settlement and claims process by mail, email, and a press release on national press wires that was simultaneously posted on Cencora-affiliated websites. SA ¶¶2.52, 5.3, 5.4, 5.5 & Ex. E, Ex. F.; Kroll Decl. ¶¶10–15. To submit a claim, Class Members were able to either return the Claim Form attached to the mailed Postcard Notice or submit an online Claim Form on the Settlement Website. SA ¶4.7. Class Members needed only to submit a valid Claim Form to receive a Cash Fund Payment; documentation was required only for Class Members seeking a Documented Loss Payment. *Id.* ¶4.7(a)–(b). If a submitted Claim Form is defective, the Settlement Administrator will notify the Class Member of any deficiencies and allow them to cure any defects. *Id.* ¶4.7. Similar notice and claims procedures have been found fair and reasonable in other data breach class action settlements. *See Holden*, 2024 WL 2845392, at *7 (finding that the claims procedure for a data breach settlement was "fair and reasonable" and weighed in favor of approval where the claims procedure "provid[ed] for Settlement Class Members to be able to submit claims online or via a paper claim form[]"); *Phila. Inquirer*, 2024 WL 4582881, at *11 (finding that this factor weighed in favor of approval where "the settlement provide[d] for notice to the class member if their Claim Form is deficient and afford[ed] a 30-day period to cure any such defect"); *In re Am. Apparel, Inc. S'holder Litig.*, 2014

WL 10212865, at *12 (C.D. Cal. July 28, 2014) (finding claim procedure that eliminated the need for each class member to adduce evidence of actual damage weighed in favor of approval).

Moreover, notice and claims administration were provided by Kroll, which has extensive experience handling notice and claims management in many class action settlements, including an array of data breach class action settlements. *See* Kroll Decl. ¶2; *Bianucci v. Rite Aid Corp.*, 2025 WL 2166015, at *2 (E.D. Pa. July 30, 2025) (Bartle, J.) (reaffirming Kroll as Settlement Administrator in granting final settlement approval, noting that Kroll is "experienced" in data breach litigation settlement administration).

This *Prudential* factor weighs in favor of final approval.

H. The *Baby Products* Analysis Also Weighs in Favor of Approval

The Settlement also comports with the Third Circuit's guidance from *Baby Products* by providing direct distribution of the Settlement Fund to the Class. *See Baby Prods.*, 708 F.3d at 173 (stating that "direct distributions to the class are preferred over *cy pres* distributions"). The optional factors that courts may consider in applying *Baby Products* further weigh in favor of approval here. The first *Baby Products* consideration, the number of distributions relevant to the total number of claims, is not relevant here because each class member who submitted a valid claim is eligible to receive an individual award. *Vasco v. Power Home Remodeling Grp. LLC*, 2016 WL 5930876, at *8 (E.D. Pa. Oct. 12, 2016) (finding the first consideration not relevant because "[t]he number of individual awards is the same as the number of claims because a [c]lass [m]ember who submitted a claim receives an individual award"). Similarly, the second and third factors, which look at the size of individual awards compared to claimants' estimated damages and any claims process for determining individual awards, both favor approval. Under the Settlement, Claimants with documented out-of-pocket losses are eligible to be reimbursed up to $5,000 per Claimant, and Class Members who forego a Documented Loss Payment can elect to receive a cash payment of approximately $52.00 for California Class Members and $26.00 for all other Class Members, which is an excellent recovery for a class that would face significant risks in establishing causation and damages. *See Gravley*, 2025 WL 2099219, at *6 (finding that *Baby Products* weighed in favor of approval where claimants who elected to receive a *pro rata* distribution received $134.77, which was "a significant sum in a case with substantial risk and speculative damages[,]" and claimants with documented losses were able to submit claims for reimbursement). And as discussed *supra* §§III(B), IV(G)(4), the claims process—which involved the submission of paper or electronic claims, a neutral claims evaluation process by Kroll, and notification to Claimants of any deficiencies with an opportunity to cure—was fair, reasonable, and ensured that Class Members received adequate relief. *See id.* (noting that similar claims process weighed in favor of approval under *Baby Products*).

I. The Court Should Confirm Certification of the Settlement Class

Nothing has changed since the Court granted preliminary approval that should or would affect the Court's determination on certification of the Class at the final approval stage. *See* Fed. R. Civ. P. 23(e)(1)(B)(i)–(ii) (notice to the settlement class at the preliminary approval phase should be based on a finding that doing so "is justified by the parties' showing *that the court will likely be able to* . . . approve the proposal under Rule 23(e)(2); and . . . certify the class for purposes of judgment on the proposal[]") (emphasis added). The Settlement satisfies all the requirements of Rule 23(a) and (b)(3), and the Court should grant final settlement certification to the Class and enter final approval.

1. The Settlement Class Is Ascertainable

Ascertainability requires only that "(1) the class is 'defined with reference to objective criteria'; and (2) there is 'a reliable and administratively feasible mechanism for determining whether putative class members fall within the class definition.'" *Byrd v. Aaron's Inc.*, 784 F.3d

154, 163 (3d Cir. 2015) (quoting *Marcus v. BMW of N. Am., LLC*, 687 F.3d 583, 593–94 (3d Cir. 2012); *Generic Pharms.*, 2025 WL 3230907, at *4 (Rufe, J.). The Settlement Class is readily ascertainable here because Class Members have been identified using Cencora's records. *See Kelly v. RealPage Inc.*, 47 F.4th 202, 224–25 (3d Cir. 2022) (finding class was ascertainable where defendant's records can be used to identify class members); *In re Generic Pharms. Pricing Antitrust Litig.*, 2024 WL 4508950, at *2 (E.D. Pa. Oct. 15, 2024) (Rufe, J.) (same). Indeed, Cencora identified most persons affected by the Incident and sent Incident Notice to those with mailing addresses. Parks Decl. ¶6. Kroll successfully disseminated Postcard Notice and Email Notice to approximately 9.1 million known Class Members, supplemented by Long Form Notice posted on the Settlement Website, and a press release distributed nationally via PR Newswire and Business Wire and posted on Cencora-affiliated websites. Kroll Decl. ¶¶9–18; SA ¶5.5.

2. The Class Meets the Requirements of Rule 23(a)

The prerequisites for class certification under Rule 23(a) are numerosity, commonality, typicality, and adequacy of representation. The Settlement Class meets those requirements, and nothing has occurred since the Court's grant of preliminary settlement approval that would change this analysis.

a. The Class Is So Numerous that Joinder Is Impracticable

The Settlement Class consists of millions of individuals. This readily satisfies the numerosity requirement. *See, e.g.*, *Processed Egg*, 284 F.R.D. at 260 (numerosity generally satisfied if class exceeds 40 members).

b. There Are Questions of Law or Fact Common to the Class

"A finding of commonality does not require that all class members share identical claims." *Warfarin*, 391 F.3d at 530 (citation modified). The commonality requirement requires only that plaintiffs "share at least one question of fact or law" with the grievances of the prospective class.

Id. at 527–28. Here, the central issues posed by this litigation are whether Cencora had a duty to protect Class Members' Personal Information from unauthorized access, and whether Plaintiffs and Class Members were injured by Cencora's failure to do so. These are common questions subject to common proof that can be answered on a class-wide basis. *Phila. Inquirer*, 2025 WL 845118, at *5 ("Commonality is met in this case because 'the proposed class members all suffered from the same data breach. There are common questions as to how the data breach occurred, whether [Defendant] had a duty to protect [consumers], and whether the [consumers] were harmed by the breach.'") (alteration in original) (quoting *Fulton-Green v. Accolade, Inc*., 2019 WL 316722, at *3 (E.D. Pa. Jan. 24, 2019)).

c. Plaintiffs' Claims Are Typical of the Claims of the Class

"The typicality inquiry is intended to assess whether the action can be efficiently maintained as a class and whether the named plaintiffs have incentives that align with those of absent class members so as to assure that the absentees' interests will be fairly represented." *Baby Neal for & by Kanter v. Casey*, 43 F.3d 48, 57–58 (3d Cir. 1994) (citation omitted). Here, Plaintiffs' claims are virtually identical to those of other Settlement Class Members. They are all predicated on the same alleged conduct by Cencora: failure to safeguard their Personal Information. Cencora's liability for the Incident does not depend on the Class Representatives' or other Class Members' individualized circumstances.

d. Plaintiffs and Class Counsel Adequately Represented the Class

"Adequate representation depends on two factors: (a) the plaintiff's attorney must be qualified, experienced, and generally able to conduct the proposed litigation, and (b) the plaintiff must not have interests antagonistic to those of the class." *Weiss v. York Hosp.*, 745 F.2d 786, 811 (3d Cir. 1984) (citation omitted). As to the first of those factors, Class Counsel respectfully submit that they have adequately represented the interests of the Class. In negotiating the Settlement

Agreement, Class Counsel had the benefit of years of experience and familiarity with the factual and legal bases for this case, as well as other cases involving data breaches and consumer privacy. This understanding of the intricacies of the data breach and consumer privacy space provided Class Counsel with the tools and perspective to achieve an outstanding recovery for the Class.

As to the second of the "adequate representation" factors, a potential conflict between plaintiffs and absent class members is disabling for Rule 23 purposes only if it is "apparent, imminent, and on an issue at the very heart of the suit." *In re Flat Glass Antirust Litig.*, 191 F.R.D. 472, 482 (W.D. Pa. 1999) (citation modified). In this case, there is no evidence suggesting any conflict at all exists between the Plaintiffs' interests and those of other Settlement Class Members, much less one sufficient to raise questions as to Plaintiffs' adequacy.

3. The Class Meets the Requirements of Rule 23(b)(3)

Class certification is appropriate under Rule 23(b)(3) when: (i) common questions of law or fact "predominate" over any individual questions; and (ii) a class action is "superior" to other available means of adjudication. Both requirements are satisfied here.

a. Common Questions of Law and Fact Predominate

Predominance is satisfied when "'common questions represent a significant aspect of a case and can be resolved for all members of a class in a single adjudication."' *Messner v. Northshore Univ. HealthSys.*, 669 F.3d 802, 815 (7th Cir. 2012) (quoting 7A Wright, Miller & Kane, Federal Practice and Procedures §1778 (3d ed. 2011)) (citation modified). Questions common to all Class Members predominate here. Several case-dispositive questions could be resolved identically for all Class Members, such as whether Cencora (and other actors) had a duty to exercise reasonable care in safeguarding Class Members' Personal Information, and whether Defendants' failure to do so constitutes a breach of that duty. This case involves a single data security Incident that impacted all Class Members whose data was stolen, giving rise to claims that all share the same common nucleus of facts and law. The issues raised can be resolved using the same evidence for all Class Members. They are the types of predominant questions that make a class-wide adjudication entirely feasible.

b. A Class Action Is the Superior Method of Adjudicating This Case

Class certification is appropriate if a "class action is superior to other available methods for fairly and efficiently adjudicating the controversy." Fed. R. Civ. P. 23(b)(3). "The superiority requirement asks the court to balance, in terms of fairness and efficiency, the merits of a class action against those of alternative available methods of adjudication." *Processed Egg*, 284 F.R.D. at 264 (quoting *Prudential*, 148 F.3d at 316) (citation modified). That balance weighs heavily in favor of the superiority of a class action here. Individual lawsuits by Class Members would be unfeasible in light of the substantial costs of litigation as compared to the relatively limited damages recoverable by any one Settlement Class Member. Only resolution on a class basis would effectuate the goals of Rule 23: (1) to promote judicial economy through the efficient resolution of multiple claims in a single action; and (2) to provide persons with smaller claims, who would otherwise be economically precluded from doing so, the opportunity to assert their rights. 7A Wright & Miller's Federal Practice & Procedure §1754 (4th ed.).

J. The Court Should Overrule the Lone Objection

Class Member M. Gettel's ("Objector Gettel") objection (ECF No. 126)—the only one out of many millions of Class Members—violates the Amended Preliminary Approval Order both procedurally and substantively and should be overruled.[6]

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[6] Of note, three other Class Members sent documents to the Court that were filed on the docket. *See* ECF Nos. 127, 131, 132. The Parties reviewed these filings and determined that the Class Member wished to opt out of the Settlement. *See* ECF No. 127 ("I wish to retain my right to sue in the future if I experience identity theft[]"); ECF No. 131 ("I previously asked to be in the

Preliminarily, the objection is procedurally defective.[7] For this reason alone, the Court could overrule the objection. *See, e.g.*, *In re Deepwater Horizon*, 739 F.3d 790, 809 (5th Cir. 2014) (finding objections "forfeited and waived" for disobeying preliminary approval order objection requirements); *In re: Motor Fuel Temp. Sales Pracs. Litig.*, 872 F.3d 1094, 1112–113 (10th Cir. 2017) (district court did not abuse its discretion in not considering objection that did not meet the requirements for objecting).

Should the Court consider the objection's merits, Objector Gettel's arguments are insufficient to meet the high burden to show the Settlement is not fair, reasonable, and adequate. The crux of arguments 1, 2, 3, and 5 is that Class Members lack sufficient information to determine the amount of their future *pro rata* cash distribution. In a non-reversionary common fund settlement, as here, the "amount of recovery will vary depending on how many people participate." *In re Flint Water Cases*, 571 F. Supp. 3d 746, 819 (E.D. Mich. 2021). "There is simply no way to know the amount of any one individual's recovery . . . until the total number of participants is known, the expenses have been paid for the administration of the settlement, and claims have been submitted and processed." *Id.*

Settlement Class, but after further review I feel I do not belong in this settlement[]"); ECF No. 132 ("I hereby request to be excluded from the proposed Settlement Class in 'Anaya, et al. v. Cencora, Inc., et al., No. 2:24-cv-02961-CMR[]'"); *see also* Kroll Decl. ¶24. These individuals are included on the Opt Out List attached to the Final Approval Order and Judgment and in Kroll's calculation of total requests for exclusion. *Id.* and Exhibit I.

[7] The Court clearly stated it will only consider objections meeting the requirements set forth in the Settlement Agreement and the Long Form Notice. ECF No. 125 at 6. Both documents contain the same 11 criteria that objectors or their counsel must strictly satisfy to lodge a valid objection. SA ¶5.13; Long Form Notice at 6. Objector Gettel failed to provide her phone number, a statement that she believes she is a Class Member, whether the objection applies only to the objector, a subset of the Settlement Class, or the entire Settlement Class, or whether she intends to appear at the Final Approval Hearing. *See* SA ¶¶5.13(b), (c), (g), (j).

A Class Member's recovery under this Settlement depends on the calculation of the Net Settlement Fund, from which Settlement Payments will be paid to Class Members with Approved Claims. The Documented Loss Payments, Fee Award and Costs, Service Awards, and the Administration Expenses are examples of expenses that will need to be crystallized before the *pro rata* payment amounts can be determined. *See supra* §III(A)(2). When there are such dependencies, courts recognize that estimated recoveries need not be detailed in the class notice. *Larson v. Sprint Nextel Corp.*, 2009 WL 1228443, at *14 (D.N.J. Apr. 30, 2009); *see also, e.g.*, *McDonough v. Toys R Us, Inc.*, 80 F. Supp. 3d 626, 641 (E.D. Pa. 2015). It is sufficient that the Notice explains the basis on which individual claim amounts will be determined and the contingencies affecting individual payment amounts. *In re Flonase Antitrust Litig.*, 291 F.R.D. 93, 100 (E.D. Pa. 2013); *see also* Long Form Notice at 1 & FAQs 8 & 9 (ECF No. 117-2 at 76, 78–79) (Documented Loss Payments and Cash Fund Payments are dependent on attorney's fees, costs, expenses, Service Awards, and Administration Expenses). In any event, through this brief and the Kroll Declaration, the Court now has information with respect to the estimated payout amounts to assist it in evaluating the Settlement. *See* Kroll Decl. ¶22.

Objector Gettel also appears to object to the sufficiency of what Class Members can claim under the Settlement. The option for any Class Member dissatisfied with the Settlement Benefits, including Objector Gettel, would be to opt-out—not object—to preserve the ability to seek a higher amount in an individual lawsuit. *See, e.g., In re CenturyLink Sales Pracs. & Sec. Litig.*, 2020 WL 7133805, at *9 (D. Minn. Dec. 4, 2020) (denying objector's objection to the relief provided under the settlement, noting that objector had the ability to "opt out and individually pursue more or different relief"); *Saccoccio v. JP Morgan Chase Bank, N.A.*, 297 F.R.D. 683, 700 (S.D. Fla. 2014) ("[T]o the extent that these objectors believe that they are entitled to additional relief . . . , they were entitled to opt out of the settlement. They chose not to do so[]”); *In re WorldCom, Inc. Sec. Litig.*, 388 F. Supp. 2d 319, 343 (S.D.N.Y. 2005).

“The test is whether the settlement is adequate and reasonable and not whether a better settlement is conceivable.” *Rougvie v. Ascena Retail Grp., Inc*., 2016 WL 4111320, at *22 (E.D. Pa. July 29, 2016) (overruling generalized objection that the settlement is not large enough). As argued elsewhere in this brief, the available Settlement Benefits are reasonable. *See supra* §§IV(C), (F), (H). Also, that Class Members cannot recover unknown damages or damages for their loss of trust in Cencora is no reason to withhold approval of the Settlement.[8] Intangible injuries are, at present, non-cognizable unless they bear similarity to those recognized by common law torts. *See Barclift v. Keystone Credit Servs., LLC*, 93 F.4th 136, 142 (3d Cir. 2024). In any event, the Settlement is fair, reasonable, and adequate, and structured to allow Class Members whose losses are intangible, unknown, or unknowable to receive cash Settlement Payments, without any documentation. Further, Class Members had the right to opt-out to preserve such claims. Objector Gettel also ignores that all Class Members benefit from the non-monetary relief afforded by Cencora’s enhanced security measures implemented to strengthen and restore trust in its data security. SA ¶4.1. To the extent that Objector Gettel’s argument 6 is that the Court should analyze the amount Class Members are likely to receive before it grants Class Counsel a Fee and Expense Award, Plaintiffs set forth the estimated recovery for California and non-California Class Members above. *See supra* §§III(B), IV(C), (H); *see also* Kroll Decl. ¶22.

The lone objection, therefore, is without merit and should be overruled in its entirety.

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[8] To the extent Objector Gettel suggests that the Incident has led to coverage denials by insurance companies, there is no evidence that any information was publicly disclosed as a result of the Incident, let alone that insurance companies used such information to deny claims or increase premiums.

V. CONCLUSION

Plaintiffs achieved an excellent Settlement that is fair, reasonable, and adequate, and assures that Class Members receive prompt and meaningful relief. The Settlement is well within the range of approval and complies with Rule 23(e)(2). For these reasons and the other reasons detailed herein, Plaintiffs respectfully request that the Court certify the Class for settlement purposes; grant the Motion for Final Approval of Class Action Settlement; grant the previously filed Fee Motion (ECF No. 130); enter the proposed order submitted herewith as Exhibit 2; and enter the Final Approval Order and Judgment submitted herewith as Exhibit 1.

Dated: January 22, 2026

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 22nd day of January, 2026, a true and correct copy of the above and foregoing was filed with the Clerk of Court via the Court's CM/ECF system for electronic service on all counsel of record.

/s/ Erin Green Comite
Erin Green Comite