UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES – GENERAL

Case No. 2:22-cv-02249-FWS-RAO Date: August 25, 2026
Title: Sylebra Capital Partners Master Fund Ltd *et al.* v. Everbridge, Inc. *et al.*

Present: **HONORABLE FRED W. SLAUGHTER, UNITED STATES DISTRICT JUDGE**

Rolls Royce Paschal	N/A
Deputy Clerk	Court Reporter
Attorneys Present for Plaintiffs:	Attorneys Present for Defendants:
Not Present	Not Present

PROCEEDINGS: (IN CHAMBERS) ORDER GRANTING PLAINTIFFS' UNOPPOSED MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT [188]

In this putative securities class action, Plaintiffs Sylebra Capital Partners Master Fund Ltd., Sylebra Capital Parc Master Fund, and Sylebra Capital Menlo Master Fund (collectively, "Sylebra Funds" or "Plaintiffs") assert claims against Defendants Everbridge, Inc. and various of its board members and executives, David Meredith, Patrick Brickley, and Jaime Ellertson (collectively, "Defendants") for alleged violations of federal securities law. (Dkt. 169 ("Operative Second Amended Class Action Complaint" or "SAC").) The parties have reached a proposed settlement agreement (the "Settlement"). (Dkt. 188-3 (Stipulation of Settlement, "SA").) Before the court is Plaintiffs' Unopposed Motion for Preliminary Approval of Class Action Settlement. (Dkt. 188 ("Motion" or "Mot.").) The Motion is supported by the Declaration of Michael H. Rogers. (Dkt. 188-2 ("Rogers Declaration" or "Rogers Decl.").) No opposition to the Motion has been filed. (*See generally* Dkt.); *see also* C.D. Cal. L.R. 7-9 (requiring oppositions to be filed "not later than twenty-one (21) days before the date designated for the hearing of the motion," which for the noticed September 10, 2026, hearing required oppositions to be filed by August 20, 2026); L.R. 7-12 ("The failure to file any required document, or the failure to file it within the deadline, may be deemed consent to the granting or denial of the motion."). The court finds this matter appropriate for resolution without oral argument. *See* Fed. R. Civ. P. 78(b) ("By rule or order, the court may provide for submitting and determining motions on briefs, without oral hearings.”); C.D. Cal. L.R. 7-15 (authorizing courts to “dispense with oral argument on any motion except where an oral hearing is required by statute”). Accordingly, the **hearing** set for **September 10, 2026**, is **VACATED** and **OFF CALENDAR**. Based on the state of the record, as applied to the applicable law, the Motion is **GRANTED**.

I. Background

A. Factual and Procedural Background

Everbridge is a global software company that provides enterprise software applications designed to automate and accelerate organizational responses to critical events including “public safety threats such as severe weather conditions, active shooter situations, and terrorist attacks.” (SAC ¶ 20.) In September 2016, Everbridge completed its Initial Public Offering (“IPO”) and has “repeatedly touted its revenue growth” and “maintained that this revenue growth was almost entirely organic.” (*Id.* ¶¶ 59–61.)

Since a change in leadership in 2019, Everbridge has acquired nine separate companies. Plaintiffs allege that Defendants “misled investors about the Company’s organic growth by downplaying the revenue contribution from the acquired compan[ies], making it appear that the Company’s organic revenue was growing more than it actually was.” (*Id.* ¶¶ 63–67.) As a result, Plaintiffs allege that they and “all persons and entities who or which, during the period from February 18, 2020 through February 24, 2022” purchased the publicly traded common stock of Everbridge suffered damages. (*Id.*)

Accordingly, Plaintiffs brought a class action suit against Defendants, alleging violations of Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder, and violations of Section 20(a) of the Exchange Act. (*Id.* ¶ 260–270.)

On July 8, 2022, the court appointed Sylebra Funds as Lead Plaintiffs. (Dkt. 45.) Plaintiffs have "conducted a thorough investigation relating to the claims, defenses, and underlying events and transactions that are the subject of the Action. This process has included reviewing and analyzing: (i) regulatory filings made by Everbridge with the U.S. Securities and Exchange Commission ("SEC"); (ii) Company press releases, transcripts of earnings calls, and other public statements issued and disseminated by the Company; (iii) Company website and marketing materials; (iv) price and volume data for Everbridge common stock; (v) research reports from securities and financial analysts; (vi) news and media reports concerning the Company and other facts related to this Action; (vii) interviews with 41 former Everbridge employees (several of whom provided information used in the complaint as confidential witnesses); (viii) consultation with experts on loss causation and damages issues and accounting issues; (ix) other publicly available material and data; and (x) the applicable law governing the claims and potential defenses." (SA at 3.)

B. The Proposed Settlement

"The Parties began exploring the possibility of a negotiated resolution in the Spring of 2026." (SA at 8.) "Specifically, the Parties agreed to participate in a mediation on June 1, 2026, and subsequently retained David M. Murphy of Phillips ADR Enterprises to act as the mediator in the case (the 'Mediator')." (*Id.*) "Plaintiffs' Counsel and Defendants' Counsel, among others, participated in a full-day, in-person mediation session before the Mediator." (*Id.* at 9.) "In advance of that session, the Parties submitted detailed mediation statements to the Mediator, together with numerous supporting exhibits." (*Id.*) "The June 1, 2026 mediation session ended without an agreement being reached. The Parties continued discussions with the Mediator following the mediation to further explore the possibility of a settlement." (*Id.*) "On June 13, 2026, the Parties accepted the Mediator's double-blind recommendation and in so agreeing, reached a settlement-in-principle to resolve all claims in the Action, and related claims, on a class-wide basis for $85,000,000.00 in cash." (*Id.*)

"The Parties' settlement in principle was subsequently memorialized in a confidential term sheet executed and finalized as of July 8, 2026 (the 'Term Sheet'), subject to the execution of a customary 'long form' stipulation and agreement of settlement and related papers." (*Id.*)

"The Settlement requires Defendants to pay, or cause to be paid, $85 million in cash into the Escrow Account, which [along] with any accrued interest while held in the Escrow Account comprises the Settlement Fund." (Mot. at 6; SA at 21.) "In return, class members will release and dismiss claims that were raised, or could have been raised, by the Settlement Class, arising out of both the facts and matters in the Action and transactions in Everbridge common stock." (*Id.*)

"The Settlement Fund, after the deduction of Court-awarded attorneys' fees and Litigation Expenses, Notice and Administration Expenses, Taxes, and any other costs or fees approved by the Court (the 'Net Settlement Fund'), will be distributed to Settlement Class Members who submit timely and valid claims, in accordance with a plan of allocation approved by the Court." (Mot. at 6.) "Any amount remaining following the distribution shall be redistributed in an economically feasible manner. The Plan of Allocation treats all Settlement Class Members equitably based on the timing of their transactions in Everbridge common stock." (*Id.*)

II. Discussion

In deciding whether to grant preliminary approval of the Settlement, the court reviews (A) the requirements for provisional class certification, (B) the fairness of the Settlement, including attorney fees, (C) the adequacy of the proposed notice, and (D) the appointment of a settlement administrator.

A. Rules 23(a) and (b): Provisional Class Certification

Plaintiffs seek to certify the following class:

> [A]ll persons and entities who or which purchased or otherwise acquired the publicly traded common stock of Everbridge during the period from February 18, 2020 through February 24, 2022, both dates inclusive (the "Class Period"), and were allegedly damaged thereby. Excluded from the Settlement Class are: (i) Defendants; (ii) members of the Immediate Family of any Defendant who is an individual; (iii) any person who was an officer, director, or control person of Everbridge during the Class Period; (iv) any firm, trust, corporation, or other entity in which any Defendant has or had a controlling or beneficial interest; (v) Everbridge's employee retirement and benefit plan(s) and their participants or beneficiaries, to the extent they made purchases through such plan(s); and (vi) the legal representatives, affiliates, heirs, successors-in-interest, or assigns of any such excluded person. Also excluded from the Settlement Class are those Persons who or which submit a timely and valid request for exclusion from the Settlement Class that is accepted by the Court.

(SA at 17.)

When a plaintiff seeks provisional class certification for the purpose of settlement, the court must ensure that the four requirements of Federal Rule of Civil Procedure 23(a) and at least one of the requirements of Rule 23(b) are met. *See Amchem Prods., Inc. v. Windsor*, 521 U.S. 591, 620 (1997); *Staton v. Boeing Co.*, 327 F.3d 938, 952–53 (9th Cir. 2003).

1. Rule 23(a) Requirements

Under Rule 23(a), the plaintiff must show that the class is sufficiently numerous, that there are questions of law or fact common to the class, that the claims or defenses of the representative parties are typical of those of the class, and that the class representatives will fairly and adequately protect the class's interests. Fed. R. Civ. P. 23(a)(1)-(4).

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i. Numerosity

Rule 23(a)(1) requires that "the class is so numerous that joinder of all members is impracticable." Fed. R. Civ. P. 23(a)(1). "No exact numerical cut-off is required; rather, the specific facts of each case must be considered." *In re Cooper Cos. Inc. Sec. Litig.*, 254 F.R.D. 628, 634 (C.D. Cal. 2009) (citing *Gen. Tel. Co. of Nw., Inc. v. EEOC*, 446 U.S. 318, 330 (1980)). "As a general matter, courts have found that numerosity is satisfied when class size exceeds 40 members." *Moore v. Ulta Salon, Cosmetics & Fragrance, Inc.*, 311 F.R.D. 590, 602-03 (C.D. Cal. 2015); *see Tait v. BSH Home Appliances Corp.,* 289 F.R.D. 466, 473–74 (C.D. Cal. 2012). Courts "certainly may infer that, when a corporation has millions of shares trading on a national exchange, more than 40 individuals purchased stock over the course of more than a year." *Cooper*, 254 F.R.D. at 634.

The proposed class meets the numerosity requirement. Everbridge common stock trades globally on the NASDAQ Global Market and the "average weekly trading volume over the course of the Class Period was 3.04 million shares." (Mot. at 17–18.) "There were over 33 million shares of Everbridge common stock outstanding during the Class Period." (*Id.*) Such a large class size would make joinder impracticable, and proceeding as a class would promote the efficiency and economy of this action. *See Cooper*, 254 F.R.D. at 634. The court finds that the amount of outstanding stock establishes numerosity. *See id.* (numerosity satisfied with "more than 36 million shares of stock outstanding").

ii. Commonality

Rule 23(a)(2) requires that "there are questions of law or fact common to the class." Fed. R. Civ. P. 23(a)(2). The plaintiff must "demonstrate that the class members 'have suffered the same injury,'" which "does not mean merely that they have all suffered a violation of the same provision of law." *Wal-Mart Stores, Inc. v. Dukes*, 564 U.S. 338, 350 (2011) (quoting *Gen. Tel. Co. of Sw. v. Falcon*, 457 U.S. 147, 157 (1982)). Rather, the plaintiff's claim must depend on a "common contention" that is capable of class-wide resolution. *Id.* This means "that determination of its truth or falsity will resolve an issue that is central to the validity of each one of the claims in one stroke." *Id.*

In this case, Plaintiffs assert that the class members have suffered a common injury: losses on their investments in Everbridge common stock. (Mot. at 18.) They argue that their claims depend on numerous common issues capable of class-wide resolution, including: "(i) whether Defendants' alleged misrepresentations and omissions violated the Exchange Act; (ii) whether Defendants' alleged misrepresentations and omissions were materially false and misleading; (iii) whether Defendants acted knowingly or recklessly (i.e., with scienter); (iv) whether defendants Meredith and Brickley controlled Everbridge and its violations of the securities laws; (v) whether the market prices of Everbridge common stock were artificially inflated as a result of Defendants' alleged misrepresentations and omissions; (vi) whether Defendants' misrepresentations and omissions caused Settlement Class Members to suffer a compensable loss; and (vii) whether Settlement Class Members have sustained damages, and the proper measure of damages." (*Id.*)

The court finds that commonality is satisfied. "Public disclosures alleged to contain misrepresentations . . . present[] common questions of law and fact." *Cooper*, 254 F.R.D. at 634; *see also LaFrano* 2023 WL 12023569, at *4 ("'[c]lassic securities fraud cases involving a class of purchasers allegedly defrauded over a period of time by similar misrepresentation[s] satisfy the common questions requirement'"). Because the claims at issue depend on public disclosures that allegedly contained misrepresentations, they present common questions of law and fact.

iii. Typicality

Rule 23(a)(3) requires that the "claims or defenses of the representative parties are typical of the claims or defenses of the class." Representative claims are "typical" if they are "reasonably co-extensive with those of absent class members; they need not be substantially identical." *Castillo v. Bank of America, NA*, 980 F.3d 723, 725 (9th Cir. 2020) (quoting *Hanlon v. Chrysler Corp*., 150 F.3d 1011, 1020 (9th Cir. 1998)).

The court finds that typicality is satisfied here. Plaintiffs' claims are typical of other class members' claims because they arise out of the same alleged course of conduct and, like other members of the settlement class, they allege that they purchased Everbridge common stock during the Class Period at "artificially inflated prices due to Defendants' alleged material misstatements and omissions and were damaged when the truth emerged." (Mot. at 19.)

iv. Adequacy of Representation

Rule 23(a)(4) requires that "the representative parties will fairly and adequately protect the interests of the class." Fed. R. Civ. P. 23(a)(4). This factor requires (1) a lack of conflicts of interest between the proposed class and the proposed representative plaintiffs and (2) representation by qualified and competent counsel that will prosecute the action vigorously on behalf of the class. *See Staton*, 327 F.3d at 957. The focus in the context of a class action settlement is on ensuring that there is no collusion between the defendant, class counsel, and the class representatives pursuing their own interests at the expense of the interests of the class. *See id.* at 958 n.12.

The court finds that the adequacy requirement is satisfied. Based on the record, the court finds there is no evidence of a conflict of interest between Plaintiffs and the class members. Plaintiffs' claims are identical to those of the other class members, and they have every incentive to vigorously pursue those claims. Nor is there any evidence that Lead Counsel, who are active practitioners experienced in complex securities litigation, will not adequately represent or protect the interests of the class. (Mot. at 20.)

2. Rule 23(b) Requirements

In addition to the requirements of Rule 23(a), Plaintiffs must satisfy the requirements of Rule 23(b). Here, Plaintiffs seek certification under Rule 23(b)(3) for settlement purposes only. (Mot. at 16.) Rule 23(b)(3) allows certification when (1) questions of law or fact common to the members of the class predominate over any questions affecting only individual members and (2) a class action is superior to other available methods for the fair and efficient adjudication of the controversy. Fed. R. Civ. P. 23(b)(3).

v. Predominance

Although the predominance requirement overlaps with Rule 23(a)(2)'s commonality requirement, it is a more demanding inquiry. *Hanlon*, 150 F.3d at 1019. The "main concern in the predominance inquiry . . . [is] the balance between individual and common issues." *In re Wells Fargo Home Mortg. Overtime Pay Litig*., 571 F.3d 953, 959 (9th Cir. 2009). The plaintiff must show that "questions common to the class predominate, not that those questions will be answered, on the merits, in favor of the class." *Amgen Inc. v. Conn. Ret. Plans & Tr. Funds*, 568 U.S. 455, 459 (2013).

The court finds that common issues predominate here. The primary issue in this case is whether Defendants knowingly made public disclosures that contained misrepresentations and caused damage to the class members. Indeed, courts often find predominance in similar securities class actions. *See, e.g.*, *In re Cooper Companies*, 254 F.R.D. at 640 (finding predominance when "the critical questions of what Defendants said, what they knew, what they may have withheld, and with what intent they acted, are central to all class members' claims" whereas "[i]ssues such as certain members' damages, timing of sales and purchases, or standing to file suit, do not have the same primacy" and "[t]he class members in this case have more issues keeping them together than driving them apart"); *Mandalevy v. BofI Holding, Inc.*, 2022 WL 4474263, at *5 (S.D. Cal. Sept. 26, 2022) (finding predominance of common questions of "whether Defendants violated securities laws, whether they acted with the requisite scienter, and whether Defendants' conduct caused damages to Lead Plaintiff and the Settlement Class"); *Kendall v. Odonate Therapeutics, Inc.*, 2022 WL 1997530, at *4 (S.D. Cal. June 6, 2022) ("A single adjudication will resolve the central issue of the case of whether Defendants violated Section 10(b) and 20(a) of the Exchange Act and Rule 10b-5, and there does not appear to be individualized issues that would preclude a finding of predominance.").

vi. Superiority

Class actions certified under Rule 23(b)(3) must also be "superior to other available methods for fairly and efficiently adjudicating the controversy." Fed. R. Civ. P. 23(b)(3). Courts consider four nonexclusive factors in evaluating whether a class action is the superior method for adjudicating a plaintiff's claims: (1) the interest of each class member in individually controlling the prosecution or defense of separate actions, (2) the extent and nature of any litigation concerning the controversy already commenced by or against the class, (3) the desirability of concentrating the litigation of the claims in the particular forum, and (4) the difficulties likely to be encountered in the management of a class action. *Id.*

In this case, the court finds proceeding as a class is superior to other methods of resolving the claims. A class action may be superior when "classwide litigation of common issues will reduce litigation costs and promote greater efficiency." *Valentino v. Carter-Wallace, Inc.*, 97 F.3d 1227, 1234 (9th Cir. 1996). A class action may also be superior when "no realistic alternative" to a class action exists. *Id.* at 1234-35. Given the common issues presented by all class members, adjudicating these claims on an individual basis for thousands of potential plaintiffs would not be feasible. Indeed, the Ninth Circuit has recognized that class actions are a superior method of prosecuting securities fraud class actions. *Blackie*, 524 F.2d at 903, ("The availability of the class action to redress such frauds has been consistently upheld, in large part because of the substantial role that the deterrent effect of class action plays in accomplishing the objectives of the securities laws.") (citation omitted); *see Ansell*, 2012 WL 13034812, at *6 ("Indeed, courts have consistently embraced the class action device as a superior method of

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adjudicating federal securities fraud claims."). The court therefore concludes superiority is met here.

In summary, the court finds the requirements of Rule 23(a) and Rule 23(b)(3) are met. The court therefore **GRANTS** provisional certification of the class for settlement purposes.

B. Rule 23(e): Preliminary Approval of Proposed Settlement Agreement

Although there is a "strong judicial policy that favors settlements, particularly where complex class action litigation is concerned," *Linney v. Cellular Alaska P'ship*, 151 F.3d 1234, 1238 (9th Cir. 1998), a settlement of class claims requires court approval. Fed. R. Civ. P. 23(e). This is because "[i]ncentives inhere in class-action settlement negotiations that can, unless checked through careful district court review of the resulting settlement, result in a decree in which the rights of class members, including the named plaintiffs, may not be given due regard by the negotiating parties." *Staton*, 327 F.3d at 959 (cleaned up).

Rule 23(e) governs class action settlement approval. Courts may approve class action settlements only when they are "fair, reasonable, and adequate." Fed. R. Civ. P. 23(e)(2). In making this determination, courts must consider whether (1) the class representatives and class counsel have adequately represented the class, (2) the proposal was negotiated at arm's length, (3) the relief provided for the class is adequate, and (4) the proposal treats class members equitably relative to each other. *Id.* 23(e)(2)(A–D).

1. Adequacy of Class Representative and Class Counsel

As stated in the court's analysis of the Rule 23(a) factors, Plaintiffs and Lead Counsel have adequately represented the class. The court finds there is no evidence of a conflict of interest between Plaintiffs and the class. Plaintiffs' claims are the same as those of the other class members, and they have every incentive to vigorously pursue those claims. *See Mild v. PPG Indus., Inc.*, 2019 WL 3345714, at *3 (C.D. Cal. July 25, 2019) ("Because Plaintiff's claims are typical of and coextensive with the claims of the Settlement Class, his interest in obtaining the largest possible recovery is aligned with the interests of the rest of the Settlement Class members."). Lead Counsel is likewise adequate. They are active practitioners who are experienced in securities class actions. (*See* Dkt. 34 (Motion for Appointment of Lead Counsel) at 6; Dkt. 45 (Order Appointing Lead Counsel).) And they "have vigorously prosecuted the Settlement Class's claims by expending significant time and effort on the case," *Mild*, 2019 WL 3345714, at *3, including by conducting extensive investigation, preparing a thorough mediation brief, retaining experts to assess loss causation and damages, and participating in a vigorous private mediation that culminated in the Settlement, (SA at 3).

2. Arm's Length Negotiation

The Settlement appears to be the result of arm's length negotiations between the parties. The negotiations occurred before David M. Murphy, who is a neutral and highly experienced mediator. *See In re Hawaiian Elec. Indus. S'holder Derivative Litig.*, 2026 WL 1500862, at *3 (D. Haw. May 28, 2026) ("That the mediator involved, David M. Murphy is 'highly experienced' cannot be questioned."). And the negotiations occurred between experienced counsel. *See Nguyen v. Radient Pharms. Corp.*, 2014 WL 1802293, at *3 (C.D. Cal. May 6, 2014) ("The fact that experienced counsel involved in the case approved the settlement after hard-fought negotiations is entitled to considerable weight.") (cleaned up). Moreover, although the parties do not address this in particular, the court's preliminary review of the Settlement did not reveal any of the "'subtle signs' of collusion" that courts must police. *See Roes, 1-2 v. SFBSC Mgmt.*, LLC, 944 F.3d 1035, 1048 (9th Cir. 2019). It does not appear to have a clear sailing agreement or a reverter provision, and Lead Counsel and Class Counsel will seek a 28% fee award. (Mot. at 13–14.)

3. Adequacy of Class Relief

In determining whether class relief is "adequate," courts must analyze "(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)." Fed. R. Civ. P. 23(e)(2)(C).[1]

vii. The Costs, Risks, and Delay of Trial and Appeal

The court observes that the Settlement reflects a substantial outcome for class members weighed against the costs, risks, and delay of trial and appeal. Courts have repeatedly recognized that securities litigation presents complex legal issues and problems of proof. *See, e.g.*, *Hefler v. Wells Fargo & Co.*, 2018 WL 6619983, at *13 (N.D. Cal. Dec. 18, 2018), *aff'd sub nom. Hefler v. Pekoc*, 802 F. App'x 285 (9th Cir. 2020) ("Courts have recognized that, in general, securities actions are highly complex and that securities class litigation is notably difficult and notoriously uncertain.") (quotation omitted); *In re Zynga Inc. Sec. Litig.*, 2015 WL 6471171, at *9 (N.D. Cal. Oct. 27, 2015) ("In any securities litigation case, it is difficult for plaintiff to prove loss causation and damages at trial.") (cleaned up); *Redwen v. Sino Clean Energy, Inc.*, 2013 WL 12129279, at *5 (C.D. Cal. Mar. 13, 2013) ("Courts experienced with securities fraud litigation routinely recognize that securities class actions present hurdles to proving liability that are difficult for plaintiffs to clear.") (cleaned up); *In re Immune Response Sec. Litig.*, 497 F. Supp. 2d 1166, 1172 (S.D. Cal. 2007) ("The Court also recognizes that the issues of scienter and causation are complex and difficult to establish at trial.").

[1] Before Congress codified these factors in 2018, the Ninth Circuit instructed district courts to apply the following factors in determining whether a settlement agreement was fair, reasonable, and accurate: "[1] the strength of plaintiffs' case; [2] the risk, expense, complexity, and likely duration of further litigation; [3] the risk of maintaining class action status throughout the trial; [4] the amount offered in settlement; [5] the extent of discovery completed, and the stage of the proceedings; [6] the experience and views of counsel; [7] the presence of a governmental participant; and [8] the reaction of the class members to the proposed settlement." *Roes, 1-2*, 944 F.3d at 1048; *Staton*, 327 F.3d at 959. The court still considers these factors to the extent that they shed light on the Rule 23(e) inquiry. *See Wong v. Arlo Techs., Inc.*, 2021 WL 1531171, at *8 (N.D. Cal. Apr. 19, 2021).

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Notably, Defendants "advanced several arguments disputing both liability and damages" including that "Plaintiffs could not establish falsity at summary judgment or trial for any of the [] alleged misstatements," that "Plaintiffs could not prove scienter" because "there was no fraudulent intent," that Plaintiffs could not "establish price impact or reliably measure damages on a class wide basis," and that Plaintiffs "would have likely confronted ongoing challenges in proving loss causation and damages." (Mot. at 9–12.) Each of these would have presented significant obstacles to Plaintiffs' success at class certification, summary judgement, and trial.

Even if Plaintiffs were able to certify a class, there would also be a risk that the court could later decertify the class. *See In re Netflix Privacy Litig.*, 2013 WL 1120801, at *6 (N.D. Cal. Mar 18, 2013) ("The notion that a district court could decertify a class at any time is one that weighs in favor of settlement."). These considerations weigh heavily in favor of approving the Settlement. *See Rodriguez*, 563 F.3d at 966; *Curtis-Bauer v. Morgan Stanley & Co., Inc.*, 2008 WL 4667090, at *4 (N.D. Cal. Oct. 22, 2008) ("Settlement avoids the complexity, delay, risk and expense of continuing with the litigation and will produce a prompt, certain, and substantial recovery for the Plaintiff class."). Finally, even if Plaintiffs could secure a better result than the Settlement represents at trial, any result obtained after additional litigation or trial would take significantly longer and there is a risk that Plaintiffs could have received much less, or nothing at all. *See In re Omnivision Techs., Inc.*, 559 F. Supp. 2d 1036, 1041–42 (N.D. Cal. 2008) (discussing how a class action settlement offered an "immediate and certain award" in light of significant obstacles posed through continued litigation).

The Settlement eliminates these costs and risks "by ensuring [c]lass [m]embers a recovery that is 'certain and immediate, eliminating the risk that class members would be left without any recovery . . . at all.'" *Graves v. United Indus. Corp.*, No. 17-cv-06983, 2020 WL 953210, at *7 (C.D. Cal. Feb. 24, 2020) (last alteration in original) (citation omitted); *see also In re Cobra Sexual Energy Sales Pracs. Litig.*, No. 13-cv-05942, 2021 WL 4535790, at *6 (C.D. Cal. Apr. 7, 2021). The elimination of these costs and risks strongly suggests the adequacy of the Settlement.

The Settlement also appears reasonable when considering these costs and risks in the context of Plaintiffs' potential recovery. After consulting with a damages consultant, Lead Counsel believes a successful verdict on all claims could result in aggregated damages as high as $1.38 billion to $1.76 billion. (Mot. at 12.) But if Defendants were successful on summary judgment as to just two of the alleged misstatements, "maximum damages would be reduced by more than 50%, to between approximately $648 million to $860 million." (*Id.*) In that scenario, "which Lead Plaintiffs believe [is] a realistic scenario based on the strength of their claims and evidence uncovered during discovery," the Settlement recovers a "range of approximately 9.9% to 13.1% of these estimated damages." (*Id.*) This is an exceptional result. Indeed, courts routinely conclude that securities class action settlements with a far lower percentage recovery are fair and adequate. *See, e.g.*, *In re Broadcom Corp. Sec. Litig.*, 2005 WL 8153007, at *6 (C.D. Cal. Sept. 14, 2005) (approving settlement representing 2.7% of damages and finding such percentage was "not [ ] inconsistent with the average recovery in securities class action[s]"); *In re LJ Int'l, Inc. Sec. Litig.*, 2009 WL 10669955, at *4 (C.D. Cal. Oct. 19, 2009) (approving settlement with recovery of 4.5% of maximum damages).

The court finds that elimination of all these costs, risks, and delays weighs heavily in favor of approving the Settlement.

viii. The Effectiveness of the Proposed Method of Distribution of Class Relief

Next, the court must consider "the effectiveness of any proposed method of distributing relief to the class, including the method of processing class-member claims." Fed. R. Civ. P. 23(e)(2)(C). "Often it will be important for the court to scrutinize the method of claims processing to ensure that it facilitates filing legitimate claims." Fed. R. Civ. P. 23 advisory committee's note to 2018 amendment. "A claims processing method should deter or defeat unjustified claims, but the court should be alert to whether the claims process is unduly demanding." *Id.*

In this case, the court finds the relief distribution is straightforward. To file a claim, class members must submit "a standard claim form that requests the information necessary to calculate a Claimant's losses pursuant to the Plan of Allocation." (Mot. at 13.) In addition, a "Settlement-specific website will be created where key documents will be posted, including the Complaint, Stipulation, Notice Claim Form, and Preliminary Approval Order." (*Id.*) Class members may submit the claim form either by mail or online. (*Id*. at 12.) The court concludes this procedure for filing claims "is not unduly demanding." *Bowdle*, 2022 WL 19235264, at *8 (approving a similar process for filing claims).

4. Attorney Fees Award

Next, the court must consider "the terms of any proposed award of attorneys' fees, including timing of payment," in determining whether the class's relief is adequate. Fed. R. Civ. P. 23(e)(2)(c). When reviewing attorney fee requests in class action settlements, courts have discretion to apply the percentage-of-the-fund method or the lodestar method to determine reasonable attorney fees. *See Powers v. Eichen*, 229 F.3d 1249, 1256 (9th Cir. 2000); *In re Bluetooth Headset Prods. Liab. Litig.*, 654 F.3d 935, 944–45 (9th Cir. 2011). In considering the proposed attorney fee award, the court must also scrutinize the Settlement for three factors that tend to show collusion: (1) when counsel receives a disproportionate distribution of the settlement, (2) when the parties negotiate a "clear sailing arrangement," under which the defendant agrees not to challenge a request for agreed-upon attorney fees, and (3) when the agreement contains a "kicker" or "reverter" clause that returns unawarded fees to the defendant, rather than the class. *Briseno v. ConAgra Foods, Inc.*, 998 F.3d 1014, 1022 (9th Cir. 2021).

Beginning with the markers of collusion, the court finds the Settlement does not contain a reverter clause that returns unawarded fees to Defendant. (Mot at 24.) Indeed, it appears to have an opposite provision: "As of the Effective Date, Defendants, and/or any other Person funding the Settlement on a Defendant's behalf, shall not have any right to the return of the Settlement Fund or any portion thereof for any reason." (SA at 24.) As stated, although

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES – GENERAL

Case No. 2:22-cv-02249-FWS-RAO Date: August 25, 2026
Title: Sylebra Capital Partners Master Fund Ltd *et al.* v. Everbridge, Inc. *et al.*

Plaintiffs do not address these factors in the Motion, the court also did not locate in the Settlement a "clear sailing" provision which would represent "some form of agreement, by Defendant, not to oppose a motion for attorneys' fees." *Gruber v. Grifols Shared Servs. N. Am., Inc.*, 2023 WL 8610504, at *9 (C.D. Cal. Nov. 2, 2023).

The court does observe that the fee award in this case is above the common benchmark of 25% of the settlement fund. At this stage, the court "does not find any procedural inadequacies in the negotiating process or substantive inadequacies in the Settlement Agreement's provisions that bar preliminary approval." *In re PostMeds, Inc. Data Breach Litig.*, 2024 WL 4894293, at *5 (N.D. Cal. Nov. 26, 2024) (granting preliminary approval where counsel sought one-third of the settlement fund). However, at final approval, the court will scrutinize the Settlement closely to determine whether the 28% contemplated fee request is a possible reflection of collusion, and also to determine whether a departure from the 25% benchmark is warranted, including by evaluating the requested fee award against a lodestar cross check. The court also expects the parties to address all of the markers of collusion in their briefing at the final approval stage.

In addition to the amount of counsel's fees and costs, the court must scrutinize the timing of payment. Fed. R. Civ. P. 23(e)(2)(c). The Settlement provides that any fees awarded to class counsel "shall be payable from the Settlement Fund to Lead Counsel immediately after entry of the Order awarding such attorneys' fees" notwithstanding the existence of "any timely filed objections thereto." (Mot. at 24.) Lead Counsel shall then "allocate any Court-awarded attorneys' fees and Litigation Expenses among Plaintiffs' Counsel." (*Id.*) That date could be well in advance of when class members can expect to be compensated. (*See id.* ¶¶ 3.7.1-3.7.2 (describing a claims administration process that could extend months after the Effective Date).) "This could cast a slight shadow on the proposed fee and cost arrangements." *Farrar*, 2023 WL 5505981, at *10 (citing *Salas Razo v. AT&T Mobility Servs., LLC*, 2022 WL 4586229, at *13 (E.D. Cal. Sept. 29, 2022) ("[C]ounsel will receive payment at the same time as Class Members, and the timing of payment does not weigh against preliminary approval of the Class Settlement.")). Counsel does not address this issue in the Motion. (*See generally* Mot.) At this time, the court does not find that this issue warrants denial of preliminary approval, but Counsel should address this issue in their final approval briefing.

5. Agreements Required to Be Identified Under Rule 23(e)(3)

The court must also consider whether there is "any agreement required to be identified under Rule 23(e)(3)," Fed. R. Civ. P. 23(e)(2)(C)(iv)—that is, "any agreement made in connection with the proposal," *id.* 23(e)(3). Here, Plaintiffs represent that the parties "entered into a Term Sheet and a standard confidential supplemental agreement, which provides that if requests for exclusion from the Settlement Class exceed an agreed-upon threshold, Everbridge shall have the option to terminate the Settlement." (Mot. at 14.) "This type of agreement is common in securities fraud actions and does not weigh against preliminary approval." *Jiangchen v. Rentech, Inc.*, 2019 WL 5173771, at *7 (C.D. Cal. Oct. 10, 2019) (citing *In re Carrier IQ, Inc., Consumer Privacy Litig.*, 2016 WL 4474366, at *5 (N.D. Cal. Aug. 25, 2016) (observing that the court was not troubled by the opt out deal between the parties)).

6. Equitable Class Member Treatment

The final Rule 23(e) factor turns on whether the proposed settlement "treats class members equitably relative to each other." Fed. R. Civ. P. 23(e)(2). "Matters of concern could include whether the apportionment of relief among class members takes appropriate account of differences among their claims, and whether the scope of the release may affect class members in different ways that bear on the apportionment of relief." Fed. R. Civ. P. 23 advisory committee's note to 2018 amendment.

The Settlement's Plan of Allocation "provides formulas for calculating the losses of each Settlement Class Member based on the timing/price of each Settlement Class Member's purchases and/or acquisitions of Everbridge common stock on the open market during the Class Period and when and if they sold such common stock." (Mot. at 15.) Treating class members differently based on the amount of securities purchased, when the securities were purchased, and when and whether the securities were sold, is appropriate and reasonable. *See Nguyen*, 2014 WL 1802293, at *5 ("A settlement in a securities class action case can be reasonable if it fairly treats class members by awarding a pro rata share to every Authorized Claimant, but also sensibly makes interclass distinctions based upon, *inter alia,* the relative strengths and weaknesses of class members' individual claims and the timing of purchases of the securities at issue.") (internal quotation omitted). The release is also the same for all class members. The court preliminarily approves the proposed Plan of Allocation and preliminarily determines that the Settlement treats class members equitably.

7. Summary

In sum, after analyzing the Rule 23(e)(2) factors, and taking into consideration the eight factors the Ninth Circuit has provided to guide the court's Rule 23(e)(2) analysis, the court preliminarily concludes that the Settlement is fair, reasonable, and adequate. *See* Fed. R. Civ. P. 23(e)(2); *Kim*, 8 F.4th at 1178; *Roes, 1-2*, 944 F.3d at 1048; *Staton*, 327 F.3d at 959.

C. Notice of the Proposed Settlement

Plaintiffs also seek approval of the proposed manner and form of the notice that will be sent to the class members. For Rule 23(b)(3) classes, courts "must direct to class members the best notice that is practicable under the circumstances, including individual notice to all members who can be identified through reasonable effort." Fed. R. Civ. P. 23(c)(2)(B).

The court finds that the proposed manner of notice is adequate. Lead Counsel's proposed notice protocol "will ensure that potential Settlement Class Members will receive mailed or emailed notice (where email addresses are available) informing them of the proposed Settlement through" a postcard notice and summary notice that "will be published once in *The Wall Street Journal* and over a national newswire service." (Mot. at 22.) The notice documents will also be "posted on the Settlement Website, where copies of the long-form Notice and Claim Form, among other documents, can be downloaded and claims can be completed using an online portal." (*Id.*) Courts routinely approve similar notice programs. *See, e.g.*, *McCrary v. Elations Co., LLC*, 2016 WL 769703, at *7 (C.D. Cal. Feb. 25, 2016) (finding on final approval that notice complied with Rule 23 requirements when it was sent directly by mail or email and also published in print and online); *Shvager v. ViaSat, Inc.*, 2014 WL 12585790, at *5 (C.D. Cal. Mar. 10, 2014) (similar).

The court finds the proposed form of notice also meets the requirements of Rule 23(c)(2)(B). Notice to class members must "clearly and concisely state in plain, easily understood language: (i) the nature of the action[,] (ii) the definition of the class certified[,] (iii) the class claims, issues, or defenses[,] (iv) that a class member may enter an appearance through an attorney if the member so desires[,] (v) that the court will exclude from the class any member who requests exclusion[,] (vi) the time and manner for requesting exclusion[,] and (vii) the binding effect of a class judgment on members under Rule 23(c)(3)." Fed. R. Civ. P. 23(c)(2)(B). The proposed notice contains this information. (Mot. at 22–23.)

D. Settlement Administrator

Finally, Lead Counsel asks the court to appoint Verita Global, LLC ("Verita") as the Claims Administrator to provide all notices approved by the court, to process Claim Forms, and to administer the Settlement. (Mot. at 23.) Verita Global has extensive experience administering class action settlements. (Dkt. 188-5 (Resume of Verita Global).) The court notes that Verita Global has been appointed by other courts as claims administrator. *See Broadmoor Lumber & Plywood Co. v. Toyota Indus. Corp.*, 2026 WL 546508, at *9 (N.D. Cal. Feb. 26, 2026) ("The Court appoints Verita Global, LLC as the Settlement Administrator"); *In re California Gasoline Spot Mkt. Antitrust Litig.*, 2024 WL 3925714, at *12 (N.D. Cal. Aug. 23, 2024) (same). The court appoints Verita Global as Claims Administrator.

III. Disposition

For the foregoing reasons, the court **GRANTS** the Motion. The court **ORDERS** the following:

A. The court **APPOINTS** Lead Plaintiffs Sylebra Capital Partners Master Fund Ltd., Sylebra Capital Parc Master Fund, and Sylebra Capital Menlo Master Fund as Class Representatives;

B. The court **APPOINTS** Lead Counsel Labaton Keller Sucharow LLP and Liaison Counsel Robbins Geller Rudman & Dowd LLP as Co-Class Counsel for settlement purposes;

C. The court **PRELIMINARILY APPROVES** the Settlement, subject to further consideration at the final approval stage;

D. The court **APPOINTS** Verita Global as Settlement Administrator;

E. The court **APPROVES** the form of the proposed notice and **DIRECTS** the parties and the Settlement Administrator to carry out their obligations under this Order and the Settlement; and

F. The court schedules a Final Approval Hearing on **December 17, 2026, at 10:00 a.m.**[2] in **Courtroom 10D**. The court reserves the right to adjourn or continue the date of the Final Approval Hearing without further notice to the class.

[2] Should the parties believe another date is more amenable, the parties shall file a joint stipulation to continue or advance this hearing date.