#### IN THE SUPERIOR COURT OF THE STATE OF DELAWARE

BRET KUKARD, Derivatively on Behalf of the Symantec Corporation Employee Stock Purchase Plan,  Plaintiff,	C No. N18C-07-117-VLM-CCLD
v.  SYMANTEC CORPORATION, FRANK E. DANGEARD, GERALDINE B. LAYBOURNE, DAVID L. MAHONEY, ROBERT S. MILLER, SUZANNE M. VAUTRINOT and V. PAUL UNRUH,  Defendants.	

# PLAINTIFF'S MEMORANDUM OF LAW IN SUPPORT OF MOTION FOR AN AWARD OF ATTORNEYS' FEES AND REIMBURSEMENT OF EXPENSES, AND A CASE CONTRIBUTION AWARD

#### **BIELLI & KLAUDER, LLC**

Ryan M. Ernst (#4788) 1204 N. King Street Wilmington, DE 19801 Telephone: (302) 803-4600 Email: rernst@bk-legal.com

#### **GAINEY McKENNA & EGLESTON**

260 Madison Avenue, 22nd Fl. Thomas J. McKenna (*pro hac vice*) Gregory M. Egleston Christopher M. Brain New York, NY 10016 Telephone: (212) 983-1300

Email: tjmckenna@gme-law.com Email: gegleston@gme-law.com Email: cbrain@gme-law.com

Class Counsel

# TABLE OF CONTENTS

I.	INTRODU	CTION	1
II.	FACTUAL	AND PROCEDURAL BACKGROUND	2
III.	ARGUMEN	NT	4
	A. Award o	of Attorneys' Fees to Class Counsel	4
	(1)	The Benefits Achieved	6
	(2)	The Time and Effort of Class Counsel	8
	(3)	The Complexities of the Litigation	10
	(4)	Contingency Factor	11
	(5)	The Standing and Ability of Class Counsel	12
	B. REIMB	URSEMENT OF EXPENSES	14
	C. CASE C	CONTRIBUTION AWARD	15
IV.	CONCLUS	ION	18

# TABLE OF AUTHORITIES

Americas Mining Corp. v. Theriault, 51 A.3d 1213 (Del. 2012)	5, 6
<i>Doe v. Bradley</i> 64 A.3d 379 (Del. Super. 2012)	passim
Chen v. Howard-Anderson, 2017 Del. Ch. LEXIS 734 (Del. Ch. Jun. 30, 2017)	16
Crowhorn v. Nationwide Mut. Ins. Co., 836 A.2d 558 (Del. Super. 2003)	4-5, 5, 14
Cuppels v. Mountaire Corp., 2021 Del. Super. LEXIS 292 (Del. Super. Apr. 12, 2021)	14
Garfield v. Boxed, Inc., 2022 Del. Ch. LEXIS 360 (Del. Ch. Dec. 27, 2022)	11, 12
Goodrich v. E.F. Hutton Group, Inc., 681 A.2d 1039 (Del. 1996)	5
<i>Harris v. Amgen Inc.</i> , 2017 U.S. Dist. LEXIS (C.D. Cal. Apr. 4, 2017)	13
In re Abercrombie & Fitch Co. S'holders Deriv. Litig., 886 A.2d 1271 (Del. 2005)	6, 8
In re Activision Blizzard, Inc. S'holder Litig., 124 A.3d 1025 (Del. Ch. 2015)	10, 11
In re AMC Ent. Holdings, Inc. S'holder Litig., Consol. C.A. No. 2023-0215-MTZ, 2023 Del. Ch. LEXIS 329 (Del. Ch. Aug. 11, 2023)	17
<i>In re Appraisal of Dell, Inc.</i> , 2016 Del. Ch. LEXIS 160 (Del. Ch. Oct. 17, 2016)	15
In re AXA Fin., Inc., S'holders Litig.,	

2002 WL 1283674 (Del. Ch. May 22, 2002)	. 8
In re Cent. European Distrib. Corp. Secs. Litig., 2014 U.S. Dist. LEXIS 190231 (D.N.J. 2014)	. 7
In re Del Monte Foods Co. S'holders Litig., 2010 Del. Ch. LEXIS 255 (Del. Ch. Dec. 31, 2010)	13
In re Dell Techs. Inc. Class V S'holders Litig., 300 A.3d 679 (Del. Ch. Jul. 31, 2023)	16
In re Dell Techs. Inc. Class V S'holders Litig., 2024 Del. LEXIS 279 (Del. Aug. 14, 2024)	14
In re Revlon, Inc. S'holders Litig., 990 A.2d 940 (Del. Ch. 2010)	13
In re Sauer-Danfoss Inc. S'holders Litig., 65 A.3d 1116 (Del. Ch. 2011)	12
Isaacson v. Niedermayer, 200 A.3d 1205 (Del. 2018)	15
Raider v. Surgarland, 2006 Del. Ch. LEXIS 4 (Del. Ch. Jan. 4, 2006)	15
Sciabacucchi v. Howley, 2023 Del. Ch. LEXIS 164 (Del. Ch. Jul. 3, 2023)	17
Sciabacucchi v. Salzberg, 2019 Del. Ch. LEXIS 250 (Del. Ch. Jul. 8, 2019)	12
Sugarland Indus., Inc. v. Thomas, 420 A.2d 142 (Del. 1980)	. 5
S'holder Representative Servs. LLC v. Shire US Holdings, Inc., 2021 Del. Ch. LEXIS 81 (Del. Ch. Apr. 27, 2021)	. 5
Williams Cos. v. Energy Transfer LP, 2022 Del. Ch. LEXIS 207 (Del. Ch. Aug. 25, 2022)	₹-9

#### I. INTRODUCTION

This is a putative securities class action brought by Plaintiff Bret Kukard ("Plaintiff" or "Class Representative") in connection with the Symantec Corporation Employee Stock Purchase Plan ("ESPP" or "Plan")<sup>1</sup> on behalf of all persons who purchased or otherwise acquired Symantec common stock between May 22, 2015 and May 10, 2018 ("Relevant Period") in the Plan. Plaintiff alleges violations under Section 11 of the Securities Act of 1933 ("Securities Act") related to the Company's disclosures concerning its internal controls over financial reporting against Defendants (defined below).

Plaintiff submits this Motion and Memorandum of Law in support of the approval of attorneys' fees, reimbursement of litigation expenses, and a case contribution award, as contemplated by the Stipulation of Settlement ("Stipulation" or "Stip.") attached as Exhibit 1 to D.I. 38. This Court previously granted preliminary approval of the proposed Settlement and ordered notice to the proposed Class to be disseminated in its August 5, 2024 Order (the "Preliminary Approval Order," D.I. 56). Plaintiff now moves this Court to enter the Final Approval Order and Judgment, attached as Exhibit C to the Declaration of Thomas J. McKenna ("McKenna Decl."), that grants final approval of the Settlement, certifies the Class

\_

Unless otherwise noted, all capitalized terms shall have the same definition as set forth in the Stipulation of Settlement. D.I. 38.

for settlement purposes, appoints Plaintiff as Settlement Class Representative, appoints the law firm Gainey McKenna & Egleston as Class Counsel, grants attorneys' fees and expenses, and grants a case contribution award to Plaintiff.

#### II. FACTUAL AND PROCEDURAL BACKGROUND

The following is a brief background to this Action. A full recitation of the procedural history can be found in the McKenna Decl. ¶¶ 10-18.

Plaintiff claims that Defendants<sup>2</sup> are liable under Section 11 of the Securities Act by reason of material misrepresentations and omissions in documents incorporated by reference in the Plan's Registration Statement relating to the Company's allegedly deficient internal controls over financial reporting and the Company's alleged improper reporting of certain Non-GAAP measures. McKenna Decl. ¶ 13.

The Plan incorporated by reference the Company's (i) "Annual Report on Form 10-K for the fiscal year ended March 29, 2013"; (ii) "[a]ll other reports filed pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934"; (iii) "[t]he description of the [Company's] Common Stock contained in the [Company's] Registration Statement"; and (iv) "[a]ll documents subsequently filed by the

2

<sup>&</sup>quot;Defendants" are Gen Digital Inc., f/k/a Symantec Corporation ("Gen Digital," "Symantec" or the "Company"), and Frank E. Dangeard, Geraldine B. Laybourne, David L. Mahoney, Robert S. Miller, Suzanne M. Vautrinot and V. Paul Unruh.

Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act." D.I. 1, ¶ 13. Participants in the ESPP were also entitled to purchase Symantec stock at a 15% discount on the market price. McKenna Decl. ¶ 12.

On July 13, 2018, Plaintiff filed the complaint ("Complaint"), C.A. No. N18C-07-117-VLM-CCLD, in this Court. D.I. 1. While the Action was stayed, the Parties engaged in settlement negotiations, including a mediation presided over by Greg Lindstrom of Phillips ADR on May 3, 2022. See D.I. 19, 24–28. In order to prepare for the mediation, the Parties exchanged insurance information, mediation briefs, factual materials, settlement demands and counteroffers, and the Company also produced 10,807 pages of confidential documents which Class Counsel reviewed. McKenna Decl. ¶ 16. Although a resolution was not reached immediately at the mediation, the Parties continued to engage in arms-length negotiations and eventually reached an agreement in principle to settle the Action. Then, on July 10, 2024, after finalizing the Stipulation and its exhibits, Plaintiff submitted his Motion for Preliminary Approval of the Settlement, which this Court approved on August 5, 2024. D.I. 37, 56.

Defendants have denied and continue to deny each and all of the claims and contentions alleged by Plaintiff in this Action. Defendants expressly have denied and continue to deny all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts or omissions alleged, or that could have been

alleged, in this Action. Defendants also have denied and continue to deny, *inter alia*, the allegations that Plaintiff or members of the Class have suffered damage or were otherwise harmed by the conduct alleged in this Action. Defendants have asserted and continue to assert that the Registration Statement contained no material misstatements or omissions. Defendants have asserted and continue to assert, among other things, that they acted at all times in good faith and in a manner reasonably believed to be in accordance with all applicable rules, regulations, and laws. In addition, Defendants maintain that they have meritorious defenses to all claims alleged in the Action. Stip. at § III.

The Parties have agreed to settle the Action after considering, *inter alia*, the substantial benefits of the Settlement on Plaintiff and the Class, and the risks and costs of continued litigation. Accordingly, the Parties determined that it was desirable and beneficial to have the Action settled in the manner and upon the terms set forth in the Stipulation. *Id*.

#### III. ARGUMENT

# A. Award of Attorneys' Fees to Class Counsel

It is well-settled in Delaware that an attorney who prosecutes a lawsuit that results in the creation of a common fund or benefit may be awarded fees. Indeed, the common fund doctrine permits a successful plaintiff's attorney to request an award of attorneys' fees from the common fund. *Crowhorn v. Nationwide Mut. Ins.* 

Co., 836 A.2d 558, 564 (Del. Super. 2003). "The Supreme Court has stated, 'Class action suits which result in the recovery of money exemplify the class creation of a common fund." *Id.* at 564 (citing *Goodrich v. E.F. Hutton Group, Inc.*, 681 A.2d 1039, 1044 (Del. 1996). "In the class action context, the cost of litigation, including counsel fees, are paid out of the common fund, in this case, the settlement fund." *Doe v. Bradley*, 64 A.3d 379, 402 (Del. Super. 2012).

Class counsel seeks an award using the percentage approach plus expenses, which is the method Delaware courts apply for an award of attorneys' fees. See Americas Mining Corp. v. Theriault, 51 A.3d 1213, 1259 (Del. 2012) (citing Sugarland Indus., Inc. v. Thomas, 420 A.2d 142 (Del. 1980)). Delaware courts generally follow a multiple factor approach to determine attorneys' fee awards in class actions, in order for a Court to reach "an equitable award of attorneys' fees." Crowhorn, 836 A.2d at 565 (citing Sugarland, 420 A.2d 142). "In Delaware, the courts are not bound by a particular methodology in determining appropriate counsel fees under the common fund doctrine." Bradley, 64 A.3d at 401; see also S'holder Representative Servs. LLC v. Shire US Holdings, Inc., 2021 Del. Ch. LEXIS 81, at \*2 (Del. Ch. Apr. 27, 2021) ("A one-third contingent fee arrangement is quite typical and commercially reasonable."). Here, Class Counsel requests 25% of the common fund, or \$212,500, an amount that is reasonable, compensates Class Counsel for their time and effort in litigating the Action, and is similar to other awards in Delaware given the effort expended and the results achieved in this novel action.

Delaware law requires the review of a fee application based on five factors often called the "Sugarland" factors: (i) the benefits achieved; (ii) the time and effort of counsel; (iii) the relative complexities of the litigation; (iv) any contingency factor; and (v) the standing and ability of counsel involved. An analysis of the Sugarland factors here concludes that Class Counsel's fee request is appropriate, well-reasoned, and results in an equitable award. See In re Abercrombie & Fitch Co. S'holders Deriv. Litig., 886 A.2d 1271, 1273 (Del. 2005). If the benefit achieved is quantifiable, then it is typical for Delaware courts to apply a "percentage-of-the-benefit approach" to reach an equitable fee award. Bradley, 64 A.3d at 401.

# (1) The Benefits Achieved

The benefit achieved is the "most important of the *Sugarland* factors." *Theriault*, 51 A.3d at 1255. The measure of the benefit achieved includes both considerations of ultimate recovery and the value added by class counsel. *Sugarland*, 420 A.2d at 151.

Here, Plaintiff faced real challenges in prosecuting this novel action on behalf of the ESPP. The challenges facing Plaintiff included, *inter alia*, (i) the jurisdictional challenges that Defendants would raise, including whether the claims were barred under the applicable statute of limitations or statute of repose, (ii) the factual and

legal complexities in this Action, which include pleading and proving that Defendants made materially false and misleading statements in the Registration Statement, (iii) the challenges in certifying a class, and (iv) the challenges in proving damages given the 15% discount from the market price of Symantec stock afforded to the ESPP Class Members who purchased Symantec stock inside their Plan accounts. Indeed, "cases brought under the federal securities laws are notably difficult and notoriously uncertain." *In re Cent. European Distrib. Corp. Secs. Litig.*, 2014 U.S. Dist. LEXIS 190231, at \*7 (D.N.J. 2014).

Despite these challenges, the Settlement will provide the Class Members with real and certain recovery for the damages that they have sustained. Indeed, the achievement of an \$850,000 common fund which will be distributed according to each Class Members' recognized loss for each share purchased is an excellent result for the Class in this unique action which was achieved through the efforts of Class Counsel. As discussed, *supra*, "[t]his is not a class action settlement where class members will receive nebulous forms of non-monetary compensation. The monetary compensation proposed here, [...], is real, substantial money that can do much good" for the Class. *Bradley*, 64 A.3d at 400. Furthermore, Class Counsel informed the Class Members in the Notice of their intent to apply for an award of attorneys' fees not exceeding one-third of the Settlement Fund which, to date, has received no objections from the Class, thus supporting this factor.

Accordingly, the creation of the common fund here is an excellent resolution which will provide great benefits to the harmed Symantec Plan participants, and, in light of these benefits, Class Counsel's request is reasonable.

# (2) The Time and Effort of Class Counsel

As of August 8, 2024, the date that Preliminary Approval was granted and the hearing date for Final Approval was scheduled, Class Counsel had spent a collective 332.85 hours on prosecuting this Action since its commencement in 2018. McKenna Decl. ¶ 87. While "the hourly rate represented by a fee award is a secondary consideration, the first issue being the size of the benefit created," *In re AXA Fin., Inc., S'holders Litig.*, 2002 WL 1283674, at \*7 (Del. Ch. May 22, 2002), Delaware courts look to attorney lodestar as a "backstop check" when assessing reasonableness. *In re Abercrombie & Fitch Co. S'holders Deriv. Litig.*, 886 A.2d 1271, at \*1274. Here, the requested fee is entirely reasonable in light of the hours Class Counsel has devoted to the matter and their resulting lodestar amount.

Class Counsel has spent a collective 332.85 hours for a lodestar of \$242,202.25, resulting in a negative multiplier of 0.88 which is well within the range of approval in Delaware and thus supports the reasonableness of Class Counsel's requested fee award. *See Sciabacucchi v. Howley*, 2023 Del. Ch. LEXIS 164, at \*13 (Del. Ch. Jul. 3, 2023) (awarding fees of approximately 1.65x the lodestar for a case that settled "right out of the gate"); *Williams Cos. v. Energy Transfer LP*, 2022 Del.

Ch. LEXIS 207, at \*11 (Del. Ch. Aug. 25, 2022) (finding a 1.7x lodestar multiple as well within the range of reasonableness).

Class Counsel have devoted substantial time, effort, and resources to this matter throughout the years this Action has been pending. Among other things, Class Counsel: (1) investigated the underlying facts and claims; (2) researched the applicable law with respect to the claims in the Action and the potential defenses thereto; (3) drafted a detailed complaint; (4) obtained discovery from Defendants, and reviewed and analyzed over 10,800 pages of confidentially produced documents; (5) reviewed the documents produced by Defendants concerning the ESPP and Company insurance policies; (6) engaged an expert to conduct a damages analysis; (7) engaged in extensive settlement discussions with Defendants' Counsel; (8) prepared for and attended a mediation of the Action, including drafting a mediation brief, reviewing Defendants' mediation brief, and exchanging settlement demands and counter demands, and subsequently negotiated the substantive terms of the Settlement; (9) negotiated and drafted the Stipulation of Settlement and its supporting exhibits; (10) worked with the Claims Administrator to develop a fair and robust Plan of Allocation and Notice program; (11) researched, reviewed, and drafted motion papers in support of the preliminary approval of the Settlement; and (12) communicated throughout the litigation and settlement process with Plaintiff. In addition, Class Counsel simultaneously herewith is McKenna Decl. ¶ 91.

preparing motion papers in support of final approval of the proposed Settlement, and will attend the Fairness Hearing, and oversee the future distribution of the Settlement Fund. Furthermore, notwithstanding the opposition by first-rate defense counsel, Class Counsel were able to develop their novel case and persuade Defendants to settle on terms favorable to the Class. McKenna Decl. ¶ 92. As such, this factor supports Class Counsel's fee request.

#### (3) The Complexities of the Litigation

"One of the secondary *Sugarland* factors is the complexity of the litigation. All else equal, litigation that is challenging and complex supports a higher fee award." *In re Activision Blizzard, Inc. S'holder Litig.*, 124 A.3d 1025, 1072 (Del. Ch. 2015).

As noted above, the issues involved in this Action were complicated and vigorously contested. Initially, the case presented a question that required a detailed understanding of the operation of the ESPP and of the federal securities laws. *See e.g.*, *Sciabacucchi v. Salzberg*, 2019 Del. Ch. LEXIS 250, at \*23-24 (Del. Ch. Jul. 8, 2019) (finding a case that required a detailed understanding of federal securities law to be relatively complex). Further, the case required a thorough understanding of the complex accounting issues giving rise to this litigation, namely whether Defendants hid misclassifications of ordinary operating expenses in the Company's public financial disclosures and improperly deferred revenue in violation of GAAP,

or otherwise made false and misleading statements in the ESPP Registration Statement that impacted the value of the common stock of the Company. Moreover, the measure of damages suffered by the Class was a complicated issue as Class Members were able to purchase Company stock inside the ESPP at a 15% discount to the market price. McKenna Decl. ¶ 94.

Taking this required knowledge into consideration, it is submitted that the Action was complex which supports Class Counsel's requested fee award.

## (4) Contingency Factor

Another secondary *Sugarland* factor is the degree of contingency risk that counsel undertook. "Counsel may be entitled to a much larger fee when the compensation is contingent than when it is fixed on an hourly or contractual basis. Fee awards should encourage future meritorious lawsuits by compensating the plaintiffs' attorneys for their lost opportunity cost (typically their hourly rate), the risks associated with the litigation, and a premium." *Garfield v. Boxed, Inc.*, 2022 Del. Ch. LEXIS 360, at \*32 (Del. Ch. Dec. 27, 2022) (internal quotations omitted).

Some contingency risk is a prerequisite for a risk-based award. *In re Activision*, 124 A.3d at 1073. "[J]ust because a lawyer works on contingency does not automatically warrant a significant award. "Not all contingent cases involve the same level of contingency risk."" *Sciabacucchi*, 2019 Del. Ch. LEXIS 250, at \*22 (quoting *In re Activision*, 124 A.3d at 1073). Indeed, Delaware courts recognize that

"[c]ases that are "relatively safe in terms of forcing a settlement" do not face significant contingency risk." *Garfield*, 2022 Del. Ch. LEXIS 360, at \*33 (quoting *In re Sauer-Danfoss Inc. S'holders Litig.*, 65 A.3d 1116, 1140 (Del. Ch. 2011)).

Here, however, Class Counsel faced legitimate contingency risk. Counsel did not enter the case with a ready-made exit or settlement opportunity, and they faced significant adversaries who believed in the validity of the Company's defenses. See Sciabacucchi, 2019 Del. Ch. LEXIS 250, at \*22. Despite this, Class Counsel took on this Action on a wholly contingent basis and advanced all out-of-pocket expenses without any guarantee of recovery. McKenna Decl. ¶ 98. At the time of taking on this case, Class Counsel knew that securities class actions are inherently uncertain and could fail at any stage, including on summary judgment, class certification, trial, or at any subsequent appeal. This was especially true in this case which raised and damage challenges, factual, numerous legal, discussed supra. Notwithstanding these real risks, Class Counsel continued to pursue this Action over multiple years to achieve the proposed Settlement for the benefit of the Class. McKenna Decl. ¶ 99.

# (5) The Standing and Ability of Class Counsel

"Law firms establish a track record over time, and they build (and sometimes burn) reputational capital." *In re Del Monte Foods Co. S'holders Litig.*, 2010 Del.

Ch. LEXIS 255, at \*27 (Del. Ch. Dec. 31, 2010) (quoting *In re Revlon, Inc. S'holders Litig.*, 990 A.2d 940, 956 (Del. Ch. 2010)).

Class Counsel, as well as their Liaison Counsel, in this case each have a breadth of experience with class action and shareholder litigation both in Delaware and across the United States, as demonstrated by their firm résumés, attached as Exhibit A to the McKenna Decl. and as Exhibits 2 and 3 to D.I. 38. Class Counsel has also been recognized by courts across the country for their experience and ability. *See e.g.*, *Harris v. Amgen Inc.*, 2017 U.S. Dist. LEXIS, at \*14 (C.D. Cal. Apr. 4, 2017) ("Here, [Gainey McKenna & Egleston] have extensive experience in class action litigation ... and have litigated a number of noteworthy ... class actions."); *see also* McKenna Decl. ¶ 100. As such, Class Counsel's standing and ability supports their fee request here.

# (6) 25% of the Benefit is Reasonable

In sum, Class Counsel have expended significant time and effort in prosecuting this novel and complex Action to obtain the benefit for the Class. Class Counsel has done so while facing the very real risks that this Action may ultimately be unsuccessful, thereby securing no recovery for the Class at all. Indeed, as discussed *supra*, there were real challenges and risks that this Action presented which could have precluded any recovery for the Class. Nevertheless, Class Counsel took on those risks and, among many other things, as discussed *supra*, thoroughly

investigated the underlying facts and claims of this novel and complex Action, reviewed and analyzed the substantial discovery obtained from Defendants, and vigorously prosecuted the Action before engaging in hard fought and arm's-length settlement negotiations to secure this benefit for the Class. McKenna Decl. ¶¶ 103-104.

In light of these facts, Class Counsel's 25% fee request is fair, adequate, and reasonable, and well within the types of awards that Delaware courts typically award to compensate counsel for their hard work in securing a benefit for a class despite the challenges of the litigation and the consequential risk of non-payment. *See e.g.*, *Crowhorn*, 836 A.2d at 566 (awarding attorneys' fees of 33% of the settlement fund); *In re Dell Techs. Inc. Class V S'holders Litig.*, 2024 Del. LEXIS 279 (Del. Aug. 14, 2024) (affirming attorneys' fees of 26.67% of the settlement fund); *Cuppels v. Mountaire Corp.*, 2021 Del. Super. LEXIS 292, at \* 25 (Del. Super. Apr. 12, 2021) (awarding attorneys' fees of 25% of the settlement fund); *Bradley*, 64 A.3d at 404 (awarding attorneys' fees of 22.5% of the settlement fund).

## **B.** Reimbursement of Expenses

Class Counsel requests the reimbursement of reasonably incurred litigation expenses in the amount of \$7,813.80. These expenses include, among other things, the costs of an expert, mediation, travel, and necessary administrative expenses such as filing fees and conference calls. McKenna Decl. ¶ 112. Class Counsel submits

that these expenses represent a mere 0.92% of the common fund and are therefore reasonable, fair, and appropriate, and warrant reimbursement. *See In re Appraisal of Dell, Inc.*, 2016 Del. Ch. LEXIS 160, at \*35 (Del. Ch. Oct. 17, 2016) (finding that reimbursable expenses amounting to 15.89% of the benefit is reasonable). Further supporting this, Class Members were informed in the notice that Class Counsel would seek reimbursement of litigation-related expenses of not more than \$10,000. To date, the Class has not objected, and the requested reimbursement here is 21.86% lower than the \$10,000. McKenna Decl. ¶ 114.

# C. Case Contribution Award

"Public policy favors incentive awards in appropriate circumstances: 'Compensating the lead plaintiff for efforts expended is not only a rescissory measure returning certain lead plaintiffs to their position before the case was initiated, but an incentive to proceed with costly litigation (especially costly for an actively participating plaintiff) with uncertain outcomes." *In re Dell Techs. Inc. Class V S'holders Litig.*, 300 A.3d 679, 733 (Del. Ch. Jul. 31, 2023) (quoting *Raider v. Sunderland*, 2006 Del. Ch. LEXIS 4, at \*5 (Del. Ch. Jan. 4, 2006)). The Delaware Supreme Court has recognized that a class representative can receive an incentive fee based on (i) the time, effort and expertise expended by the class representative, and (ii) the benefit to the class. *Raider*, 2006 Del. Ch. LEXIS 4, at \*4 (Del. Ch. Jan. 4, 2006), *cited in Isaacson v. Niedermayer*, 200 A.3d 1205, 1205 n.1 (Del. 2018).

Here, Class Counsel requests a Case Contribution Award of \$2,500 for the Class Representative.

Serving as class representative is not an easy task. "In the current litigation environment, a stockholder who files plenary litigation faces the very real possibility of having their computer and other electronic devices imaged and searched, sitting for a deposition—perhaps more than one if they also institute [Section] 220 litigation—and then perhaps testify at trial." *In re Dell*, 300 A.3d at 733 (internal citations omitted). Further, a named plaintiff accepts reputational risk. *See In re Dell*, 300 A.3d at 733-734 (detailing the risks for a named plaintiff and the "fate of Herb Chen, the named plaintiff in *Chen v. Howard-Anderson*, 2017 Del. Ch. LEXIS 734 (Del. Ch. Jun. 30, 2017)").

Paying a Case Contribution Award to a class representative is customary and recognizes that without a successful recovery, the class representative is not entitled to an award, just as plaintiff's counsel is not entitled to a fee. *In re Dell*, 300 A.3d at 735. Here, the Class Representative was instrumental in obtaining this recovery for the Class. Among other things, the Class Representative: (i) reviewed and investigated the claims against Symantec; (ii) communicated with Class Counsel in connection with the investigation of the claims and preparation and filing of the complaint; (iii) reviewed public records and other documents, including the Company's Registration Statement and Plan documents; (iv) followed news stories

about Symantec and alerted Class Counsel to any that seemed relevant; (v) reviewed and approved the complaint filed on his behalf; (vi) regularly communicated with Class Counsel regarding the status and strategy of the Action; (vii) searched his own files for any relevant documents and liaising with Class Counsel regarding those documents; (viii) communicated with Class Counsel regarding settlement negotiations and mediation efforts; and (ix) reviewed and approved the terms of the Settlement. McKenna Decl. ¶ 119; Declaration of Bret Kukard ("Kukard Decl.") ¶ 12.

Furthermore, Delaware courts have found a Case Contribution Award of more than \$2,500 to be reasonable in cases that settled at a similar procedural posture to this Action. *See In re AMC Ent. Holdings, Inc. S'holder Litig.*, Consol. 2023 Del. Ch. LEXIS 329, at n.366 (Del. Ch. Aug. 11, 2023) (citing caselaw "awarding \$5,000 for plaintiff that did not sit for deposition, characterizing \$1,000 to \$5,000 "nominal awards [as] understandable and appropriate.""); *Sciabacucchi*, 2023 Del. Ch. LEXIS 164, at \*14 (awarding a \$4,000 service award for a requesting documents and "pursu[ing] litigation").

In light of the foregoing, Class Counsel submits that the Court should grant the requested Case Contribution Award to compensate the Class Representative for his efforts in achieving the beneficial result on behalf of all Class Members despite the risks facing him in prosecuting this Action. McKenna Decl. ¶ 120.

#### IV. CONCLUSION

For the foregoing reasons, Plaintiff respectfully submits that the Court should enter the Final Approval Order and Judgment, attached to the McKenna Decl. as Exhibit C which would: (i) grant final approval of the class action Settlement; (ii) certify the Class for settlement purposes; (iii) grant an award of attorneys' fees in the amount of \$212,500; (iv) grant the reimbursement of Class Counsel's litigation expenses in the amount of \$7,813.80; and (v) grant a case contribution award to the Class Representative in the amount of \$2,500.

Dated: October 30, 2024 BIELLI & KLAUDER, LLC

#### **OF COUNSEL**

# GAINEY McKENNA & EGLESTON

Thomas J. McKenna (pro hac vice) Gregory M. Egleston

Christopher M. Brain

260 Madison Avenue, 22nd Floor

New York, NY 10016

Telephone: (212) 983-1300

Facsimile: (212) 983-0383

tjmckenna@gme-law.com

gegleston@gme-law.com

cbrain@gme-law.com

## Counsel for Plaintiff and the Class

#### ,

#### /s/ Ryan M. Ernst

Ryan M. Ernst, Esquire (No. 4788)

1204 N. King Street

Wilmington, DE 19801

Main: (302) 803-4600 Direct: (302) 321-5411

rernst@bk-legal.com