

POMERANTZ LLP  
Tamar A. Weinrib  
600 Third Avenue, 20th floor  
New York, New York 10016  
Telephone: (646) 581-9973  
taweinrib@pomlaw.com

*Lead Counsel for Plaintiffs*

*Additional Counsel on Signature Page*

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
WESTERN DIVISION**

MICHAEL J. BUTALA, Individually  
and on Behalf of All Others Similarly  
Situated,

Plaintiff,

v.

OWLET, INC. f/k/a SANDBRIDGE  
ACQUISITION CORPORATION,  
KURT WORKMAN, KATE  
SCOLNICK, KEN SUSLOW,  
RICHARD HENRY,  
DOMENICO DE SOLE, RAMEZ  
TOUBASSY, JAMIE WEINSTEIN,  
KRYSTAL KAHLER, and MICHAEL  
F. GOSS,

Defendants.

Case No.: 2:21-cv-09016-FLA-JEM

Honorable Fernando L. Aenlle-Rocha

**PLAINTIFFS’ MEMORANDUM OF  
LAW IN SUPPORT OF MOTION  
FOR ATTORNEYS’ FEES,  
REIMBURSEMENT OF  
EXPENSES, AND  
COMPENSATORY AWARDS TO  
PLAINTIFFS**

Hearing Date: February 6, 2026

Hearing Time: 1:30 p.m.

Location: Courtroom 6B

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1 Plaintiffs individually and on behalf of all Settlement Class Members<sup>1</sup> respectfully  
2 submit this memorandum in support of their motion for attorneys’ fees, reimbursement  
3 of litigation expenses, and awards to Plaintiffs.  
4

5 **I. INTRODUCTION**

6 Following their diligent and effective litigation of this Action, Lead Counsel  
7 secured a Settlement that recovers \$1,750,000 for the Settlement Class, which represents  
8 19.4% of estimated aggregate damages (or 100% under Defendants’ Damages Theory,  
9 defined *infra*). Weinrib Decl. ¶22. Lead Counsel have not received any compensation to  
10 date in this Action even as they risked substantial amounts of time and money. *Id.* ¶45.  
11 Plaintiffs respectfully request that the Court award Lead Counsel: (i) attorneys’ fees in  
12 the amount of one-third of the Settlement Amount, or \$583,333.33, and (ii)  
13 reimbursement of their out-of-pocket litigation expenses incurred in prosecuting this  
14 Action, in the amount of \$60,582.48, plus any interest earned on both of these amounts  
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19 \_\_\_\_\_  
20 <sup>1</sup> All capitalized terms, unless otherwise defined herein, have the same meaning as set  
21 forth in the Stipulation of Settlement dated January 31, 2025 (the “Stipulation” or  
22 “Stip.”), ECF No. 144-2. Internal citations and quotations are omitted and emphasis is  
23 added unless otherwise noted. Citations to the “Weinrib Decl.” are to the Declaration of  
24 Tamar A. Weinrib in Support of Plaintiffs’ Motions For: (1) Final Approval of Class  
25 Action Settlement; and (2) Attorneys’ Fees, Reimbursement of Expenses, and  
26 Compensatory Awards to Plaintiffs, filed herewith. Citations to the “Craig Decl.” are to  
27 the Declaration of Margery Craig Concerning: (A) Mailing/Emailing of the Postcard  
28 Notice; (B) Publication of the Summary Notice; and (C) Report on Requests for  
Exclusion and Objections, attached as Exhibit 1 to the Weinrib Decl. Citations to the  
“Final Approval Brief” are to Plaintiffs’ Memorandum of Law in Support of Unopposed  
Motion for Final Approval of Class Action Settlement, filed herewith.

1 at the same rate as earned by the Settlement Fund, for reaching this favorable result.  
2  
3 Finally, Plaintiffs request an award of \$10,000 for Lead Plaintiff Drew Conant and \$3,000  
4 for named Plaintiff Eric Lee, for a total of \$13,000 in compensatory awards.

5 The fee request is fully warranted under the circumstances. Lead Counsel  
6 prosecuted this Action on a wholly contingent basis without any guarantee of  
7 remuneration. Despite the risk, Lead Counsel advanced over approximately 580 hours of  
8 professional time to the prosecution of this matter, representing \$604,966.50 in legal  
9 services. As compensation for their efforts, Lead Counsel request an award of attorneys'  
10 fees in the amount of one-third of the gross Settlement Fund, totaling \$583,333.33. The  
11 requested fee amount is justified by the significant expertise that Lead Counsel brought  
12 to bear in this matter. Indeed, Lead Counsel vigorously prosecuted this case for over three  
13 years on behalf of Plaintiffs, and at the time of Settlement had already: (i) conducted an  
14 extensive investigation of the alleged wrongdoing; (ii) drafted the Amended Consolidated  
15 Complaint for Violations of the Federal Securities Laws ("AC"), ECF No. 80; (iii)  
16 survived the Owlet Defendants' motion to dismiss despite the PSLRA's heightened  
17 pleading standard and automatic stay of discovery; (iv) pursued fact discovery; (v)  
18 conducted extensive consultations with experts to evaluate potential damages; (vi) drafted  
19 a detailed mediation statement, addressing liability and damages; (vii) participated in a  
20 formal full day in-person mediation session before Mr. Murphy to obtain a favorable  
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1 settlement for Plaintiffs and the Settlement Class; (viii) engaged in negotiations regarding  
2 the terms of the proposed Settlement; and (ix) worked with a financial damages expert to  
3 craft a plan of allocation that treats Plaintiffs and all other Settlement Class Members  
4 fairly. The requested fee amount is also squarely within the typical range of attorneys'  
5 fees awarded in similar securities class actions in the Ninth Circuit and justified by a  
6 lodestar cross-check. Indeed, a cross-check against the lodestar yields a *0.96 lodestar*  
7 *multiplier*, thus confirming that the fee request is reasonable.  
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10  
11 Lead Counsel also seeks reimbursement for \$60,582.48 in out-of-pocket expenses  
12 Lead Counsel incurred in connection with the prosecution of the claims in this Action.  
13 As detailed more fully herein, these expenses were reasonable and necessary for the  
14 successful prosecution of this Action and are of the kind regularly reimbursed by courts  
15 within this Circuit.  
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17  
18 Plaintiffs similarly requests compensatory awards in the amounts of \$10,000 for  
19 Lead Plaintiff Drew Conant, and \$3,000 for Plaintiff Eric Lee, for their personal time and  
20 effort dedicated to the successful prosecution of this Action for the benefit of the  
21 Settlement Class. Among other things, Plaintiffs' efforts have included consultations with  
22 counsel regarding their roles as representatives of the Class, reviewing and approving  
23 court filings, keeping abreast of case developments, participating in discovery, and  
24 approving the Settlement. These types of efforts are regularly compensated by courts in  
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1 this Circuit.

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3 Notably, these requests appear to enjoy unanimous support from the Settlement  
4 Class. Following the Court’s preliminary approval of the Settlement on September 15,  
5 2025, Postcard Notice was sent to almost 33,000 potential Settlement Class Members.  
6  
7 The Notice posted to the Claims Administrator’s website informed Settlement Class  
8 Members that Lead Counsel intended to apply for an award of attorney fees in an amount  
9 not to exceed one-third of the Settlement Amount; reimbursement of litigation expenses;  
10 and compensatory awards to Plaintiffs in an amount not to exceed \$13,000 (\$10,000 for  
11 Lead Plaintiff and \$3,000 for Plaintiff Eric Lee). The Notice also explained that  
12 Settlement Class members had the right to object to any part of the proposed Settlement  
13 or exclude themselves from the Settlement. To date, Settlement Class members have not  
14 filed *any* objections to these requests, or *any* requests to be excluded, providing strong  
15 evidence that the requests are reasonable under the circumstances.  
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19 Thus, Plaintiffs and Lead Counsel respectfully request that the Court grant the  
20 Motion in full.

21  
22 **II. CASE BACKGROUND**

23 A detailed description of the procedural history, settlement negotiations, and the  
24 considerations leading to the Settlement is set forth in the Final Approval Brief, filed  
25 concurrently herewith and incorporated by reference herein.  
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1 **III. THE COURT SHOULD AWARD ATTORNEYS’ FEES IN THE**  
2 **AMOUNT OF ONE-THIRD OF THE COMMON FUND**

3 **A. Lead Counsel is Entitled to a Fee Award from the Common Fund**

4 “[A] private plaintiff, or his attorney, whose efforts create, discover, increase or  
5 preserve a fund to which others also have a claim is entitled to recover from the fund the  
6 costs of his litigation, including attorneys’ fees.” *Vincent v. Hughes Air W., Inc.*, 557 F.2d  
7 759, 769 (9th Cir. 1977). The purpose of this doctrine is to avoid unjust enrichment.  
8 “[T]hose who benefit from the creation of the fund should share the wealth with the  
9 lawyers whose skill and effort helped create it.” *In re Wash. Pub. Power Supply Sys. Sec.*  
10 *Litig.*, 19 F.3d 1291, 1300 (9th Cir. 1994) (“WPPSS”). “The amount of such a reward is  
11 that which is deemed ‘reasonable’ under the circumstances.” *Paul, Johnson, Alston &*  
12 *Hunt v. Graulity*, 886 F.2d 268, 271 (9th Cir. 1989). Reasonable fee awards are necessary  
13 in securities class actions. The Supreme Court has “long recognized that meritorious  
14 private actions to enforce federal antifraud securities laws are an essential supplement to  
15 criminal prosecutions and civil enforcement actions brought [] by the Department of  
16 Justice and the Securities and Exchange Commission.” *Tellabs, Inc. v. Makor Issues &*  
17 *Rts., Ltd.*, 551 U.S. 308, 313 (2007); Brief for the United States as Amicus Curiae  
18 Supporting Respondent, at 1-2, *Halliburton Co. v. Erica P. John Fund, Inc.*, 573 U.S.  
19 258 (2014) (No. 13-317), 2014 WL 466853, at \*1. *Tellabs* and *Halliburton* were both  
20 class actions alleging securities fraud. Attorneys’ fee awards were necessary to provide  
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1 incentives for private lawyers to file those actions, and one is similarly necessary here.

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3 **B. The Court Should Award Lead Counsel a Reasonable Percentage**  
4 **of the Common Fund**

5 Under the “common fund doctrine” a reasonable fee may be based on “a percentage  
6 of the fund bestowed on the class.” *Blum v. Stenson*, 465 U.S. 886, 900 n.16 (1984).  
7 District courts in the Ninth Circuit have discretion to award fees in common fund cases  
8 based on either the “lodestar/multiplier” method or the percentage-of-the-fund method.  
9 *WPPSS*, 19 F.3d at 1295-96. “Despite this discretion, use of the percentage method in  
10 common fund cases appears to be dominant.” *In re Omnivision Techs., Inc.*, 559 F. Supp.  
11 2d 1036, 1046 (N.D. Cal. 2008); *In re Stable Rd. Acquisition Corp.*, 2024 WL 3643393,  
12 at \*11 (C.D. Cal. Apr. 23, 2024) (“[W]here there is an easily quantifiable benefit to the  
13 class—such as a cash common fund—the percentage-of-the-fund approach is the  
14 prevailing method.”).

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18 Among other benefits, the percentage-of-the-fund method “aligns the interests of  
19 class counsel and the class, rather than rewarding attorneys for hours spent on cases, as  
20 the lodestar method does.” *In re Brooktree Sec. Litig.*, 915 F. Supp. 193, 196 (S.D. Cal.  
21 1996); *Vizcaino v. Microsoft Corp.*, 290 F.3d 1043, 1050-51 (9th Cir. 2002) (affirming  
22 28% fee, representing 3.65 multiplier, disfavoring lodestar for incentivizing lawyers to  
23 generate more hours and not to settle early). The percentage method “provides a powerful  
24 incentive for the efficient prosecution and early resolution of litigation.” *Wal-Mart*  
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1 *Stores, Inc. v. Visa U.S.A., Inc.*, 396 F.3d 96, 121 (2d Cir. 2005), *superseded on other*  
2 *grounds*, Fed. R. Civ. P. 23(e)(2), *as recognized in Moses v. N.Y. Times Co.*, 79 F.4th  
3 235, 243 (2d Cir. 2023). The percentage method also preserves judicial resources by  
4 sidestepping time-consuming lodestar analysis while saving the Settlement Class from  
5 the delays necessitated by the Court’s review. *Lopez v. Youngblood*, 2011 WL 10483569,  
6 at \*4 (E.D. Cal. Sep. 2, 2011) (“[T]he lodestar method is difficult to apply [and] time  
7 consuming to administer . . .”).

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11 Finally, the PSLRA provides that “[t]otal attorneys’ fees and expenses awarded by  
12 the court to counsel for the plaintiff class shall not exceed a *reasonable percentage* of the  
13 amount” recovered for the class. 15 U.S.C. §78u-4(a)(6). “Part of the reason behind the  
14 near-universal adoption of the percentage method in securities cases is that the PSLRA  
15 contemplates such a calculation.” *Union Asset Mgmt. Holding A.G. v. Dell, Inc.*, 669 F.3d  
16 632, 643 (5th Cir. 2012).

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19 For these reasons the Court should award attorneys’ fees based on the percentage-  
20 of-recovery method. The Court should use an informal lodestar cross-check only to assess  
21 the reasonableness of the percentage award. *See Vizcaino*, 290 F.3d at 1050 n.5 (using  
22 lodestar as “a cross-check on the reasonableness of a percentage figure”); *Glass v. UBS*  
23 *Fin. Servs., Inc.*, 331 F. App’x 452, 456 (9th Cir. 2009) (“[T]he district court properly  
24 performed an informal lodestar cross-check . . .”).  
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1                   **C.     The Requested Attorneys’ Fees are Reasonable and Merited**

2                   In the Ninth Circuit, 25% is the “benchmark” award for attorneys’ fees. *See, e.g.,*  
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4 *In re Online DVD-Rental Antitrust Litig.*, 779 F.3d 934, 949 (9th Cir. 2015); *Paul,*  
5 *Johnson*, 886 F.2d at 273. Nonetheless, a court “may adjust the benchmark when special  
6 circumstances indicate a higher or lower percentage would be appropriate.” *In re Pac.*  
7 *Enters. Sec. Litig.*, 47 F.3d 373, 379 (9th Cir. 1995) (affirming a one-third percentage fee  
8 award). “[I]n most common fund cases, the award exceeds that benchmark.” *Omnivision,*  
9 *559 F. Supp. 2d* at 1047-49 (collecting authority); *accord In re Heritage Bond Litig.*, 2005  
10 WL 1594403, at \*19 & n.14 (C.D. Cal. June 10, 2005) (noting that “courts in this circuit,  
11 as well as other circuits, have awarded attorneys’ fees of 30% or more in complex class  
12 actions” and granting fees of one-third of the settlement fund).  
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16                   Indeed, courts in this Circuit have not hesitated to award one-third of the settlement  
17 fund as attorneys’ fees in securities class actions. *See, e.g., Heritage*, 2005 WL 1594403,  
18 at \*19 (awarding one-third of the fund, and collecting cases awarding one-third of the  
19 fund); *Singer v. Becton Dickinson & Co.*, 2010 WL 2196104, at \*8 (S.D. Cal. June 1,  
20 2010) (awarding 33.33% of common fund, and collecting cases, noting that “the request  
21 for attorneys’ fees in the amount of 33.33% of the common fund falls within the typical  
22 range of 20% to 50% awarded in similar cases”); *see also In re Banc of Cal. Sec. Litig.*,  
23 2020 WL 1283486, at \*1 (C.D. Cal. Mar. 16, 2020) (awarding 33% fee request); *Cheng*  
24 *Jiangchen v. Rentech, Inc.*, 2019 WL 5173771, at \*7 (C.D. Cal. Oct. 10, 2019) (approving  
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1 one-third fee award); *In re K12 Inc. Sec. Litig.*, 2019 WL 3766420, at \*1 (N.D. Cal. July  
2 10, 2019) (approving 33% attorneys’ fees).

3  
4 In the Ninth Circuit, factors that courts use to determine whether the requested fee  
5 percentage is fair and reasonable include: (1) the results achieved; (2) the risk and  
6 complexity of the litigation; (3) the skill required to achieve the settlement; (4) the quality  
7 of work performed; (5) the contingent nature of the fee and the financial burden; (6)  
8 awards made in similar cases; (7) the reaction of the class; and (8) the lodestar cross-  
9 check. *See Vedachalam v. Tata Consultancy Servs., Ltd.*, 2013 WL 3941319, at \*1 (N.D.  
10 Cal. July 18, 2013); *Omnivision*, 559 F. Supp. 2d at 1046 (similar). Of course, “[t]he  
11 relative degree of importance to be attached to any particular factor will depend upon the  
12 nature of the claim(s) advanced, the type(s) of relief sought, and the unique facts and  
13 circumstances presented by each individual case.” *Atlas v. Accredited Home Lenders*  
14 *Holding Co.*, 2009 WL 3698393, at \*3 (S.D. Cal. Nov. 4, 2009). Here, each of these  
15 factors supports awarding attorneys’ fees of 33% of the common fund.

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20 **1. Lead Counsel Achieved an Outstanding Result for the**  
21 **Settlement Class**

22 Courts have consistently recognized that the ultimate result achieved is a major  
23 factor to be considered in making a fee award. *See, e.g., Hensley v. Eckerhart*, 461 U.S.  
24 424, 436 (1983) (the “most critical factor is the degree of success obtained” when  
25 awarding attorneys’ fees); *In re HP Inkjet Printer Litig.*, 716 F.3d 1173, 1178 (9th Cir.  
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1 2013) (tethering fee award “to the value of the class recovery”); *Bickley v. Schneider Nat'l*  
2 *Carriers, Inc.*, 2016 WL 6910261, at \*4 (N.D. Cal. Oct. 13, 2016) (awarding one-third  
3 for attorneys’ fees for “substantial monetary recovery”); *Jenson v. First Tr. Corp.*, 2008  
4 WL 11338161, at \*12, \*16 (C.D. Cal. June 9, 2008) (awarding one-third fee request  
5 where counsel achieved “highly-favorable outcome”); *Heritage*, 2005 WL 1594403, at  
6 \*19 (“significant results achieved” weighed “strongly in favor” of one-third fee award).

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8  
9 The proposed \$1.75 million all cash, non-reversionary Settlement is an outstanding  
10 result for the Settlement Class, both quantitatively and when weighed against the risk of  
11 a lesser (or no) recovery if the case proceeded through class certification, summary  
12 judgment, and trial. Plaintiffs’ damages expert estimates that if Plaintiffs had *fully*  
13 *prevailed* at the pleading stage, summary judgment, and after a jury trial, and if the Court  
14 and jury accepted Plaintiffs’ damages theory—*i.e.*, Plaintiffs’ *best-case scenario*—the  
15 total *maximum* damages would be approximately \$9 million (per share damages equal to  
16 the \$10 redemption price minus the closing price following the corrective disclosure). As  
17 a percentage of estimated damages, the Settlement Amount is *significantly* higher than  
18 the 2024 median recovery in securities class action settlements of 1.2%, according to a  
19 recent study conducted by NERA Economic Consulting, and falls within the range of  
20 approval. *See* Edward Flores & Svetlana Starykh, Recent Trends in Securities Class  
21 Action Litigation: 2024 Full-Year Review, at 27 (NERA Jan. 22, 2025); *Stable Rd.*, 2024  
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1 WL 3643393, at \*8 (approving final settlement of \$8.5 million representing  
2 approximately 10.5% of the estimated maximum damages); *Rentech, Inc.*, 2019 WL  
3 5173771, at \*7 (approving final settlement of \$2.05 million representing approximately  
4 10% of the estimated maximum damages potentially available); *In re LJ Int'l, Inc. Sec.*  
5 *Litig.*, 2009 WL 10669955, at \*4, \*8 (C.D. Cal. Oct. 19, 2009) (approving final settlement  
6 of \$2 million representing approximately 4.5% of the maximum recovery of \$44 million).  
7 Thus, a recovery of over 19% is an excellent result, especially when compared to the risks  
8 of continued litigation. Moreover, under Defendants' Damages Theory (as defined in the  
9 Final Approval Brief), the Settlement Amount represents a recovery of *more than 100%*  
10 of maximum recoverable damages.  
11

## 12 **2. The Risks and Complexity of the Litigation Support the** 13 **Requested Fee Amount**

14  
15 The requested fee is reasonable because Lead Counsel obtained a favorable result  
16 even though it faced substantial risks. *See Pac. Enters.*, 47 F.3d at 379 (fees were justified  
17 “because of the complexity of the issues and the risks”); *Vizcaino*, 290 F.3d at 1048  
18 (“Risk is a relevant circumstance.”). Securities class actions are complex, difficult to  
19 prove, and risky. *Heritage*, 2005 WL 1594389, at \*6. As courts in this District have noted,  
20 “a number of courts have commented on the difficulty and uncertainty of maintaining a  
21 securities class action.” *Johnson v. US Auto Parts Network, Inc.*, 2008 WL 11343481, at  
22 \*3 (C.D. Cal. Oct. 9, 2008) (collecting cases). “To be successful, a securities class-action  
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1 plaintiff must thread the eye of a needle made smaller and smaller over the years by  
2 judicial decree and congressional action.” *Alaska Elec. Pension Fund v. Flowserve Corp.*,  
3 572 F.3d 221, 235 (5th Cir. 2009).

4  
5 This case was no exception. From the outset, Lead Counsel understood it was  
6 embarking on a complex, expensive, and likely lengthy litigation with no guarantee of  
7 ever being compensated for the substantial investment of time and money the case would  
8 require. As detailed in the Final Approval Brief at 14-18, there were many substantial  
9 challenges to succeeding in this litigation and to obtaining a common fund recovery.  
10

11  
12 Though Plaintiffs successfully defeated the Owlet Defendants’ motion to dismiss,  
13 this Court dismissed Plaintiffs’ claims against the Sandbridge Defendants. Weinrib Decl.  
14 at 15. Indeed, Plaintiffs faced a “strong possibility” of dismissal because securities fraud  
15 cases trigger the “heightened pleading requirements of the [PSLRA].” *In re Illumina, Inc.*  
16 *Sec. Litig.*, 2021 WL 1017295, at \*7 (S.D. Cal. Mar. 17, 2021); *see also In re Amgen Inc.*  
17 *Sec. Litig.*, 2016 WL 10571773, at \*9 (C.D. Cal. Oct. 25, 2016) (“[T]he risks of litigation  
18 were real and substantial, given the strict requirements imposed by the PSLRA . . . .”);  
19 *Hefler v. Wells Fargo & Co.*, 2018 WL 6619983, at \*13 (N.D. Cal. Dec. 18, 2018)  
20 (“Plaintiffs’ Counsel faced substantial risks in pursuing this litigation, given the inherent  
21 uncertainties of trying securities fraud cases and the demanding pleading standards of the  
22 PSLRA.”), *aff’d sub nom. Hefler v. Pekoc*, 802 F. App’x 285 (9th Cir. 2020). As one  
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1 court put it, “[t]o be successful, a securities class-action plaintiff must thread the eye of a  
2 needle made smaller and smaller over the years by judicial decree and congressional  
3 action.” *Flowserve*, 572 F.3d at 235; *see also Stable Rd.*, 2024 WL 3643393, at \*12  
4 (“post-PSLRA rulings and empirical studies make it clear that the risk of no recovery has  
5 increased significantly” in securities cases since 1995).  
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8 Moreover, Plaintiffs still faced significant obstacles and risks in certifying a class,  
9 defeating Defendants’ anticipated summary judgment motion, proving their claims at  
10 trial, establishing damages greater than the Settlement Amount (or establishing damages  
11 at all), defending the verdict on appeal, and collecting any judgment given that Owlet has  
12 experienced recurring operating losses and generated negative cash flows from operations  
13 since inception and continued litigation would have depleted its insurance. Weinrib Decl.,  
14 at 23. *See, e.g., Omnivision*, 559 F. Supp. at 1047 (highlighting statistic that plaintiffs  
15 prevailed in only three jury trials on securities claims between 1996 and 2008); *see also*  
16 *Amgen*, 2016 WL 10571773, at \*9 (risk of continued litigation heightened by “highly  
17 technical and complex claims involved”).  
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21 In sum, the obstacles faced by Plaintiffs and Lead Counsel in seeking to recover  
22 against the Defendants in this securities class action were significant. Recovering \$1.75  
23 million in cash, representing over 19.4% of Plaintiffs’ estimated damages (or over 100%  
24 under Defendants’ Damages Theory), in the face of these substantial risks, fully supports  
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1 the requested fee award in the amount of one-third of the Settlement Amount.

2  
3 **3. Lead Counsel Skillfully Managed This Case**

4 The skill required to litigate this Action and the quality of work performed support  
5 the requested attorneys' fee award. "The prosecution and management of a complex  
6 national class action requires unique legal skills and abilities. This is particularly true in  
7 securities cases because the Private Securities Litigation Reform Act makes it much more  
8 difficult for securities plaintiffs to get past a motion to dismiss." *Rentech, Inc.*, 2019 WL  
9 5173771, at \*10; *see also In re Am. Apparel, Inc. S'holder Litig.*, 2014 WL 10212865, at  
10 \*22 (C.D. Cal. July 28, 2014) (similar).

11  
12  
13 Here, Court-appointed Lead Counsel Pomerantz LLP ("Pomerantz") is among the  
14 most experienced and skilled practitioners in the securities litigation field, and has a long  
15 and successful track record in securities cases throughout the country, including within  
16 this Circuit. *See Weinrib Decl. Ex. 2 (Pomerantz Firm Resume)*. Lead Counsel's  
17 reputation as experienced counsel in complex securities class actions, and their persistent  
18 efforts and thorough investigation greatly enhanced Lead Counsel's ability to negotiate  
19 the Settlement. Pomerantz amassed the skills and experience needed to prosecute this  
20 case through decades of experience litigating and successfully settling securities class  
21 actions. *See, e.g., In re Petrobras Sec. Litig.*, 312 F.R.D. 354, 362 (S.D.N.Y. 2016)  
22 (Pomerantz is "qualified, experienced and able to conduct the litigation"), *aff'd in part,*  
23 *vacated in part on other grounds sub nom. In re Petrobras Sec.*, 862 F.3d 250 (2d Cir.

1 2017). In 2018, Pomerantz, as sole Lead Counsel, achieved a historic \$3 billion  
2 settlement, the largest class action settlement in a decade and the largest settlement ever  
3 in a class action involving a foreign issuer. *See In re Petrobras Sec. Litig.*, 317 F. Supp.  
4 3d 858, 862 (S.D.N.Y. 2018).

5  
6 Lead Counsel participated in vigorous arm’s-length settlement negotiations. the  
7 Parties participated in a full-day mediation session with Mr. Murphy, which did not result  
8 in a settlement. Weinrib Decl., at 17. Following the mediation, Mr. Murphy made a  
9 proposal to settle the action for \$1.75 million, which all Parties ultimately accepted. *Id.*  
10 After three years of vigorous litigation, Plaintiffs and Lead Counsel acquired “fulsome  
11 understandings” of the Parties’ respective positions on the legal and factual issues in the  
12 case during the arm’s-length settlement negotiations. *See In re Zynga Inc. Sec. Litig.*,  
13 2015 WL 6471171, at \*9 (N.D. Cal. Oct. 27, 2015). Indeed, Plaintiffs and Lead Counsel  
14 were sufficiently informed at this stage of the litigation to negotiate a favorable  
15 Settlement. Lead Counsel’s extensive efforts and skill leading to the Settlement strongly  
16 support the requested fee. Weinrib Decl. ¶¶36, 46.

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21 “[T]he quality of opposing counsel is [also] important in evaluating the quality of  
22 Plaintiff’s counsel’s work.” *Heritage*, 2005 WL 1594403, at \*20. Throughout the  
23 litigation and settlement negotiations, the Defendants were represented by attorneys from  
24 Latham & Watkins LLP (“Latham”), which staffed the case with lawyers who advocated  
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1 zealously for their clients. Weinrib Decl. ¶55. Latham is a highly respected law firm with  
2 substantial securities litigation experience and resources. *Id.* In the face of this opposition,  
3 Plaintiffs and Lead Counsel were nevertheless able to develop a case that was sufficiently  
4 strong to persuade Defendants to settle on terms that were favorable to the Settlement  
5 Class. Weinrib Decl. ¶56. That Lead Counsel achieved a favorable Settlement in the face  
6 of such formidable opposition weighs in favor of the requested fee.  
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9  
10 **4. Lead Counsel Undertook a Significant Financial Risk in Pursuing the Action**

11 The risk of receiving little or no recovery is a significant factor in awarding  
12 attorneys' fees. *See WPPSS*, 19 F.3d at 1299; *Heritage*, 2005 WL 1594389, at \*14 (“The  
13 risks assumed by Class Counsel, particularly the risk of non-payment or reimbursement  
14 of expenses, is a factor in determining counsel’s proper fee award.”).  
15

16 Unlike counsel for Defendants, who are typically paid an hourly rate and paid for  
17 their expenses on a regular basis, Lead Counsel has not been compensated for any time  
18 or expense since this Action’s inception. Courts have consistently recognized that the risk  
19 of receiving little or no recovery is a significant factor in considering an award of  
20 attorneys’ fees. For example, in awarding attorneys’ fees in *Nat’l Fed’n of the Blind v.*  
21 *Target Corp.*, 2009 WL 2390261, at \*7 (N.D. Cal. Aug. 3, 2009), the court noted the risks  
22 that plaintiffs’ counsel had taken:  
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26 Risk of non-payment is also an issue to be considered. A contingent  
27 fee must be higher than a fee for the same legal services paid as they

1 are performed. The contingent fee compensates the lawyer not only  
2 for the legal services he renders but for the loan of those services. . . .  
3 The purpose of a fee enhancement, or so-called multiplier, for  
4 contingent risk is to bring the financial incentives for attorneys  
5 enforcing important constitutional rights into line with incentives they  
6 have to undertake claims for which they are paid on a fee-for-services  
7 basis.

8 While securities cases have always been complex and difficult to prosecute, the  
9 PSLRA has only increased the difficulty in successfully prosecuting a securities class  
10 action. The risk of no recovery in complex cases of this type is very real. A study of  
11 securities class actions filed between 2015 and 2024 found that among the cases in which  
12 a decision was reached, 61% of motions to dismiss were granted in defendants' favor.  
13 *See Flores & Starykh, supra* p. 10, at 17.

14 The risks Plaintiffs face do not end at the motion to dismiss stage. There are  
15 numerous contingent fee cases where plaintiffs' counsel, after the expenditure of  
16 thousands of hours, have received no compensation. Even plaintiffs who get past  
17 summary judgment and succeed at trial may find a judgment in their favor overturned on  
18 appeal or on a post-trial motion. *See, e.g., Glickenhau & Co. v. Household Int'l, Inc.*,  
19 787 F.3d 408, 433 (7th Cir. 2015) (ordering new trial on issues relating to loss causation  
20 in phase one of bifurcated trial after years of litigation in which plaintiffs prevailed in  
21 both phases at trial). In fact, even when a plaintiff is successful at trial, payment is not  
22 guaranteed. *See Robbins v. Koger Props., Inc.*, 116 F.3d 1441 (11th Cir. 1997) (jury  
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1 verdict of \$81 million for plaintiffs against an accounting firm reversed on appeal on loss  
2 causation grounds and judgment entered for defendant).

3  
4 The risks in this case were no different. Lead Counsel’s fees were contingent, so  
5 the only certainty was that there would be no fee without a successful result achieved  
6 after significant amounts of time, effort and expense had been expended. *See* Weinrib  
7 Decl. ¶¶57-60. Lead Counsel risked non-payment of 578.69 hours of professional time,  
8 as well as cash expenses of \$60,582.48, for almost three years to bring this case to a  
9 successful conclusion. *See* Weinrib Decl., ¶¶51, 63-66. “This type of substantial outlay,  
10 when there is a risk that no money will be recovered, further supports the award of the  
11 requested fees.” *Am. Apparel*, 2014 WL 10212865, at \*22; *City of Providence v.*  
12 *Aeropostale, Inc.*, 2014 WL 1883494, at \*14 (S.D.N.Y. May 9, 2014) (“[T]he financial  
13 burden on contingent-fee counsel is far greater than on a firm that is paid on an ongoing  
14 basis.”), *aff’d sub nom. Arbuthnot v. Pierson*, 607 F. App’x 73 (2d Cir. 2015).

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19 **5. Fee Awards in Similar Cases Further Support an Award of**  
20 **One-Third of the Settlement**

21 Courts often look to fees awarded in comparable cases to determine if the fee  
22 requested is reasonable. *See Vizcaino*, 290 F.3d at 1050 n.4. “[I]n most common fund  
23 cases, the award exceeds [the] benchmark.” *Omnivision*, 559 F. Supp. 2d at 1047. “This  
24 is particularly true in securities class actions . . . .” *Am. Apparel*, 2014 WL 10212865, at  
25 \*23; *see also Romero v. Producers Dairy Foods, Inc.*, 2007 WL 3492841, at \*4 (E.D.

1 Cal. Nov. 14, 2007) (approving a fee award of 33% of the common fund, and noting that  
2 “[e]mpirical studies show that, regardless whether the percentage method or the lodestar  
3 method is used, fee awards in class actions average around one-third of the recovery”).  
4 Courts in the Ninth Circuit commonly award fees of one-third of the settlement funds.  
5  
6 *See, e.g., Heritage*, 2005 WL 1594403, at \*19 (awarding one-third of the fund, and  
7 collecting cases awarding one-third of the fund); *see also Singer*, 2010 WL 2196104, at  
8 \*8 (awarding 33.33% of common fund, and collecting cases, noting that “the request for  
9 attorneys’ fees in the amount of 33.33% of the common fund falls within the typical range  
10 of 20% to 50% awarded in similar case”).<sup>2</sup> Lead Counsel’s fee request is therefore  
11 consistent with fee award percentages awarded in this Circuit.  
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15 **6. A Lodestar Crosscheck Supports the Reasonableness of the**  
16 **Requested Fee**

17 “In cases where courts apply the percentage-of-the-fund method to calculate fees,  
18 they should use a rough calculation of the lodestar as a cross-check to assess the  
19 reasonableness of the percentage award.” *Am. Apparel*, 2014 WL 10212865, at \*20;  
20 *Vizcaino*, 290 F.3d at 1050 (“[T]he lodestar may provide a useful perspective on the  
21 reasonableness of a given percentage award.”). Courts calculate lodestar by assessing  
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25 <sup>2</sup> *See Hashem v. NMC Health PLC*, 2022 WL 3573145, at \*1-3 (C.D. Cal. Apr. 8, 2022)  
26 (approving 33% fee request); *Banc of Cal.*, 2020 WL 1283486, at \*1 (awarding 33% fee  
27 request); *Rentech, Inc.*, 2019 WL 5173771, at \*7 (approving one-third fee award); *K12*  
28 *Inc.*, 2019 WL 3766420, at \*1 (approving 33% attorneys’ fees).

1 attorneys' hourly rates for reasonableness and multiplying the rates by the number of  
2 hours reasonably spent, and then cross-checking the resulting number against the fee  
3 award. *In re Genworth Fin. Sec. Litig.*, 210 F. Supp. 3d 837, 845 (E.D. Va. 2016). "In  
4 securities class actions, it is common for a counsel's [lodestar] figure to be adjusted  
5 upward by some multiplier reflecting a variety of factors such as the effort expended by  
6 counsel, the complexity of the case, and the risks assumed by counsel." *Heritage*, 2005  
7 WL 1594403, at \*22.

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11 When using the lodestar to calculate attorney fee awards, "trial courts need not,  
12 and indeed should not, become green-eyeshade accountants." *Fox v. Vice*, 563 U.S. 826,  
13 838 (2011). When the lodestar is merely used as a cross-check, "the focus is not on the  
14 necessity and reasonableness of every hour of the lodestar, but on the broader question of  
15 whether the fee award appropriately reflects the degree of time and effort expended by  
16 the attorneys." *In re Tyco Int'l, Ltd. Multidistrict Litig.*, 535 F. Supp. 2d 249, 270 (D.N.H.  
17 2007). Thus, "an itemized statement of legal services is not necessary for an appropriate  
18 lodestar cross-check." *In re Apollo Grp. Inc. Sec. Litig.*, 2012 WL 1378677, at \*7 n.2 (D.  
19 Ariz. Apr. 20, 2012). Here, the lodestar method – whether used directly or as a "cross-  
20 check" on the percentage method – strongly supports the reasonableness of the fee.  
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24 Here, Lead Counsel dedicated 578.69 hours of professional time prosecuting this  
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1 Action from its inception.<sup>3</sup> Weinrib Decl., ¶¶9, 49. Lead Counsel’s total lodestar, based  
2 on its attorneys’ rates, is \$604,966.50. *Id.* Accordingly, the requested fee of one-third of  
3 the Settlement Amount, which equates to \$583,333.33, represents approximately a 0.96  
4 multiplier. Weinrib Decl. ¶¶9, 52. This is well within the multiplier range frequently used  
5 as a crosscheck. *Spann v. J.C. Penney Corp.*, 211 F. Supp. 3d 1244, 1265 (C.D. Cal.  
6 2016). Given the excellent result achieved in this securities action, Lead Counsel’s 578.69  
7 hours support the reasonableness of the fee request. *See, e.g., id.* (“Counsel’s lodestar  
8 yields a 3.07 multiplier, which is well within the range for reasonable multipliers.”);  
9 *Feller v. Transamerica Life Ins. Co.*, 2019 WL 6605886, at \*13 (C.D. Cal. Feb. 6, 2019)  
10 (finding a 2.97 multiplier is “well-within the range of appropriate multipliers recognized  
11 by this Court and by other courts within the Ninth Circuit”). The lodestar crosscheck,  
12 therefore, supports the request for 33% in attorneys’ fees from the common fund.  
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17 **7. The Settlement Class’s Reaction Supports the Requested**  
18 **Fee Award**

19 “The existence or absence of objectors to the requested attorneys’ fee is a factor  
20 [in] determining the appropriate fee award.” *Heritage*, 2005 WL 1594403, at \*2. The  
21 Claims Administrator disseminated 47,605 notices to potential Settlement Class  
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24 <sup>3</sup> This does not include time spent drafting this Motion or the Final Approval Motion. In  
25 addition, Lead Counsel will spend additional time preparing Plaintiffs’ reply in support  
26 of final approval, preparing for and attending the final approval hearing, directing the  
27 claims administration process, and filing a motion for final distribution, but will not seek  
28 further compensation. Weinrib Decl. ¶54.

1 Members and nominees. *See* Craig Decl. ¶¶5-9. The Claims Administrator also published  
2 the Summary Notice on *Investor's Business Daily* and transmitted it over  
3 *GlobeNewswire*. *Id.* ¶11. The Postcard Notice and Summary Notice each directed  
4 potential Settlement Class Members to the Settlement-specific website where documents  
5 with relevant Settlement information were posted. The Notice posted to the website  
6 informed Settlement Class Members that Lead Counsel would seek attorneys' fees of up  
7 to one-third of the Settlement Amount (plus interest), reimbursement of litigation  
8 expenses (plus interest), and compensatory awards for Plaintiffs not to exceed \$13,000  
9 (or \$10,000 for Lead Plaintiff and \$3,000 for Plaintiff Eric Lee). ECF No. 144-2, at 65  
10 and 72 of 118. The Notices advised Settlement Class Members of their right to object to  
11 any of these requests for relief or request exclusion from the Settlement and explained  
12 how to do so. *Id.* at 70-71 and 82 of 118.

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18 The deadline for potential Settlement Class Members to submit objections and  
19 requests for exclusion is January 16, 2026. To date, no Settlement Class Member has  
20 objected to the requested attorneys' fees, reimbursement of expenses, or awards to  
21 Plaintiffs, and no Settlement Class Member has requested exclusion. Craig Decl. ¶¶14-  
22 15. The positive reaction of the Settlement Class strongly supports the requests made  
23 herein. *Am. Apparel*, 2014 WL 10212865, at \*21 (holding that no objections to the fee  
24 request and only one class member requesting exclusion supports the attorneys' fee  
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1 award); *In re Immune Response Sec. Litig.*, 497 F. Supp. 2d 1166, 1177 (S.D. Cal. 2007)  
2 (“[T]he lack of objection from any Class Member supports the attorneys’ fees award.”).  
3

4 **IV. LEAD COUNSEL’S EXPENSES WERE REASONABLE AND**  
5 **NECESSARY TO ACHIEVE THE BENEFIT OBTAINED**

6 “[A]n attorney who has created a common fund for the benefit of the class is  
7 entitled to reimbursement of reasonable litigation expenses from that fund.” *Ontiveros v.*  
8 *Zamora*, 303 F.R.D. 356, 375 (E.D. Cal. 2014). Lead Counsel requests reimbursement of  
9 \$60,582.48 in expenses, which are routinely charged to fee-paying clients. Weinrib Decl.,  
10 ¶¶26, 51. *See also Immune Response*, 497 F. Supp. 2d at 1177.  
11

12  
13 Lead Counsel pursued this litigation knowing that it could only recover its  
14 expenses if Plaintiffs prevailed at trial and survived on appeal or reached a settlement.  
15 Weinrib Decl., ¶64. Lead Counsel had no incentive to incur, and did not incur,  
16 unnecessary expenses. *Id.* All of Lead Counsel’s expenses were reasonably incurred and  
17 necessary for the prosecution of this litigation. *Id.* ¶66. Substantial expenses incurred  
18 include: (1) fees for an expert retained to analyze damages and help formulate the Plan  
19 of Allocation, (2) investigation fees incurred in connection with preparing the complaints,  
20 (3) online legal research fees, (4) mediation fees, and (6) court filing fees. *Id.*, ¶51. The  
21 expenses incurred are reflected in Lead Counsel’s books and records and were reasonable  
22 and necessary to achieve the Settlement. *Id.* Courts have held that these types of expenses  
23 are properly charged to the Settlement Class. *See Katz v. China Century Dragon Media*,  
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1 *Inc.*, 2013 WL 11237202, at \*8 (C.D. Cal. Oct. 10, 2013). The categories of expenses for  
2  
3 which Lead Counsel here seek reimbursement are the type routinely billed to hourly  
4 clients and, therefore, should be paid out of the common fund.

5 **V. THE COURT SHOULD APPROVE THE AWARDS TO PLAINTIFFS**

6 The Court should award \$10,000 to Lead Plaintiff Drew Conant and \$3,000 to  
7 Plaintiff Eric Lee, for the time they spent representing the Class. The PSLRA permits  
8 “the award of reasonable costs and expenses (including lost wages) directly relating to  
9 the representation of the class to any representative party serving on behalf of a class.”  
10 15 U.S.C. §78u-4(a)(4); H.R. Rep. No. 104-369, at 35 (1995) (Conf. Rep.) (“The  
11 Conference Committee recognizes that lead plaintiffs should be reimbursed for  
12 reasonable costs and expenses associated with service as lead plaintiff, including lost  
13 wages, and grants the courts discretion to award fees accordingly.”). Class representative  
14 “awards are designed to compensate class representatives for work done on behalf of the  
15 class, to make up for financial . . . risk undertaken in bringing the action, and, sometimes,  
16 to recognize their willingness to act as a private attorney general.” *Brown v. China*  
17 *Integrated Energy Inc.*, 2016 WL 11757878, at \*13 (C.D. Cal. July 22, 2016). Courts in  
18 this district have regularly approved of awards of \$10,000 or more to those who perform  
19 similar activities for the benefit of absent class members. *See, e.g., Illumina*, 2021 WL  
20 1017295, at \*8 (awarding \$25,000 in incentive award to one plaintiff and \$27,000 total);  
21 *see also Stable Rd.*, 2024 WL 3643393, at \*16 (granting \$10,000 award to lead plaintiff

1 or similar work); *Davis*, 2023 WL 3063823, at \*2 (awarding \$15,000 for sole lead  
2 plaintiff); *Todd v. STAAR Surgical Co.*, 2017 WL 4877417, at \*6 (C.D. Cal. Oct. 24,  
3 2017) (awarding \$10,000 to lead plaintiff collecting cases).

4  
5 Plaintiffs performed their duties with attentiveness and diligence, spending time on  
6 tasks that include reviewing pleadings, reviewing motion briefing, participating in  
7 discovery, keeping abreast of case developments, and corresponding with counsel  
8 regarding the litigation and settlement. *See* Weinrib Decl., ¶¶67-69, Exhibits 3-4  
9 (“Plaintiffs’ Declarations”). Plaintiffs’ Declarations, attached to the Weinrib Decl. as  
10 Exhibits 3 and 4, describe Plaintiffs’ respective contributions to this litigation, which  
11 warrant compensation for their time and efforts expended on the Class’s behalf.  
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15 The Notice informed Settlement Class Members that Plaintiffs would seek  
16 compensatory awards totaling no more than \$13,000. ECF No. 144-2, at 65 and 72 of  
17 118. As stated above, to date, no objections have been raised in response to these requests.  
18 Craig Decl. ¶15; Weinrib Decl. ¶¶20, 27, 62. Courts in this Circuit routinely award  
19 representative plaintiffs similar or greater amounts. *See, e.g., Brown*, 2016 WL 11757878,  
20 at \*14 (granting awards of \$10,000 for each of the two lead plaintiffs).  
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23 Plaintiffs dedicated their valuable time, faithfully representing the Settlement  
24 Class. Thus, the requested awards to Plaintiffs are reasonable and the Court should award  
25 \$10,000 to Lead Plaintiff Drew Conant and \$3,000 to Plaintiff Eric Lee (\$3,000 in total).  
26  
27

1 **VI. CONCLUSION**

2 For the foregoing reasons, the Court should grant Lead Counsel’s application for  
3 an award of attorneys’ fees, reimbursement of reasonable expenses, and awards to  
4 Plaintiffs for services rendered to the Settlement Class.  
5

6 Dated: January 2, 2026

**POMERANTZ LLP**

7  
8 By: Tamar A. Weinrib  
9 Jeremy A. Lieberman  
10 Tamar A. Weinrib  
11 600 Third Avenue, 20th Floor  
12 New York, New York 10016  
13 Telephone: (212) 661-1100  
14 Facsimile: (212) 661-8665  
15 jalieberman@pomlaw.com  
16 taweinrib@pomlaw.com

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28 *Lead Counsel for Plaintiffs*

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**CERTIFICATE OF SERVICE**

I hereby certify that on January 2, 2026, a copy of the foregoing was filed electronically. Notice of this filing will be sent by e-mail to all parties by operation of the Court’s electronic filing system. Parties may access this filing through the Court’s CM/ECF System.

/s/ Tamar A. Weinrib  
Tamar A. Weinrib