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21 **UNITED STATES DISTRICT COURT**  
22 **CENTRAL DISTRICT OF CALIFORNIA**

23 ATUL SINGH DEORA, *et al.*,

24 Plaintiffs,

25 v.

26 NANTHEALTH, *et al.*,

27 Defendants.

28 Case No. 2:17-cv-01825-TJH-MRWx

**REPLY IN SUPPORT OF MOTION  
FOR FINAL APPROVAL OF CLASS  
SETTLEMENT AND FOR AWARD  
OF ATTORNEYS' FEES,  
LITIGATION COSTS, AND  
COMPENSATORY AWARD**

Date: June 15, 2020

Time: 10:00 a.m.

Judge: The Hon. Terry J. Hatter, Jr.

Courtroom: 9B

1 **INTRODUCTION**

2 Lead Plaintiff submits this reply to update the Court about the Classes’  
3 reaction to the proposed settlement now that the opt-out and objection deadline has  
4 passed. The Classes’ reaction has been positive: class members have submitted over  
5 1800 claims, not one class member has requested to be excluded, and just a single  
6 class member has objected—and that class member objects on grounds unique to his  
7 personal circumstances, without contesting the overall fairness of the settlement. In  
8 short, the Classes’ positive reaction confirms that the settlement is fair, reasonable,  
9 and adequate, and merits final approval.

10 **THE CLASSES’ POSITIVE REACTION TO THE SETTLEMENT**

11 Class members’ positive reaction to a settlement weighs in favor of settlement  
12 approval because “the absence of a large number of objections to a proposed class  
13 action settlement raises a strong presumption that the terms of a proposed class  
14 settlement [] are favorable to class members.” *Nat’l Rural Telecommunications Coop. v.*  
15 *DIRECTV, Inc.*, 221 F.R.D. 523, 529 (C.D. Cal. 2004).

16 This case presents the rare situation in which no class member requested to be  
17 excluded from the settlement, and only a single class member objected. The  
18 Settlement Administrator sent notice of the settlement to nearly 5000 potential class  
19 members directly, and provided notice packets to an additional 8000 brokers and  
20 nominees to distribute to their clients.<sup>1</sup> Yet not a single class member opted out and  
21 only one class member objected. The one objection represents a fraction of a percent  
22 of the Classes, confirming that the proposed settlement is fair, reasonable, and  
23 adequate. *See Fernandez v. Victoria Secret Stores, LLC*, No. 06-cv-04149, 2008 WL  
24 8150856, at \*7 (C.D. Cal. July 21, 2008) (three objections constituting .004% of  
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26 <sup>1</sup> Consistent with the Preliminary Approval Order, no later than 10 days before the  
27 final approval hearing, the Settlement Administrator will file an affidavit attesting  
28 that notice was disseminated. (ECF No. 117, ¶ 8.)

1 claimants an “overwhelmingly positive” reaction to the proposed settlement  
2 favoring approval); *see also Churchill Vill. LLC v. Gen. Elec.*, 361 F.3d 566, 577 (9th  
3 Cir. 2004) (affirming final approval where “only 45 of the approximately 90,000  
4 notified class members objected to the settlement” and 500 class members opted  
5 out). The Classes’ reaction—including “the absence of any substantive objections to  
6 the terms or conditions of the proposed settlement”— provides further support in  
7 favor of Plaintiff’s motion for final approval and an award of attorneys’ fees, costs,  
8 and service awards. *Brown v. China Integrated Energy Inc.*, No. 11-cv-02559, 2015 WL  
9 12712081, at \*8 (C.D. Cal. Aug. 19, 2015).

### 10 THE COURT SHOULD OVERRULE THE OBJECTION

11 The sole objection comes from Atul Singh Deora. Mr. Deora filed the original  
12 complaint in this action. (*See* ECF No. 1; Deora Objection, ECF No. 121 at 2, ¶ 1.)  
13 But neither Mr. Deora nor his counsel were associated with the litigation in the  
14 years following the Court’s Lead-Plaintiff appointment back in May 2017. (*See* ECF  
15 No. 33.)

16 Mr. Deora does not take issue with the fairness of the settlement for the  
17 Classes, nor with the pending request for attorneys’ fees, litigation costs, and a  
18 compensatory award to the Lead Plaintiff. (*See* Deora Objection at 3, ¶ 4 (stating  
19 that the objection applies only to himself).) Rather, Mr. Deora asks the Court to  
20 compensate him beyond his pro rata share of the settlement on the basis that having  
21 his name associated with the litigation has caused “repercussions in his professional  
22 life,” leading to “financial and emotional problems.” (*Id.* at 2-3, ¶¶ 2-3.)

23 While Class Counsel are sorry to hear that Mr. Deora regrets having initiated  
24 this litigation, there does not appear to be a legal basis for compensating him beyond  
25 what all class members may be entitled to receive by submitting claims. Under the  
26 PSLRA, the only additional compensation contemplated is for a “representative  
27 party” that “serv[ed] on behalf of a class.” 15 U.S.C. § 78u-4(a)(4). Although Mr.  
28 Deora did file the original complaint, he was not appointed Lead Plaintiff, and thus

1 never served on behalf of the Classes. (*See* ECF No. 33.) There is thus no basis under  
2 the law to compensate him beyond what he may be entitled to receive as an absent  
3 class member. *See* 15 U.S.C. § 78u-4(a)(4); *see also* S. Rep. No. 104-98, at 10 (1995),  
4 *reprinted in* 1995 U.S.C.C.A.N. 679, 689 (describing the Committee’s intention to  
5 allow for compensation to “*the lead plaintiff* . . . directly relating to representation of  
6 the class” in a class action brought under the PSLRA (emphasis added)).

7 Accordingly, the Court should overrule Mr. Deora’s objection.

8 **CONCLUSION**

9 With this filing, Plaintiff is submitting an amended Proposed Final Order and  
10 Judgment that notes the absence of requests for exclusion and overrules the sole  
11 objection. For the reasons stated above, and those detailed in Plaintiff’s opening  
12 brief, Plaintiff asks that the Court enter the proposed order.

13  
14 Dated: May 26, 2020

Respectfully submitted,

15 **GIBBS LAW GROUP LLP**

16  
17 */s/ David Stein*

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17                                  *and the Classes*