

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

United States District Court
Central District of California
Western Division

ATUL SINGH DEORA, *et al.*,
Plaintiffs,
v.
NANTHEALTH, INC., *et al.*,
Defendants.

CV 17-01825 TJH (MRWx)

Order
[133]

The Court has considered Plaintiffs’ motion for disbursement of settlement funds, together with the moving papers.

On September 10, 2020, the Court granted Plaintiffs’ motion for final approval of the class action settlement agreement in this securities class action. The Court ordered, *inter alia*, that the \$16,500,000.00 common fund to be distributed as follows: (1) \$4,125,000.00, or 25% of the settlement fund, for attorneys’ fees; (2) \$344,832.56 for costs; (3) \$5,000.00 as a “compensatory award” for the lead plaintiff; and (4) A *pro rata* distribution of the remainder of the common fund to the class members, “calculated using a formula based on the timing of [each class member’s] purchases and sales of NantHealth common stock,” where “the formula accounts for the alleged artificial share-price inflation at various points during the class period, and is tied to the

1 difference between the estimated inflation on the dates shares were purchased and
2 sold.”

3 Pursuant to the settlement agreement, Plaintiffs were required to seek the
4 Court’s approval before authorizing the settlement administrator to distribute the
5 settlement fund pursuant to the approved *pro rata* distribution method.

6 Plaintiffs, now, move for Court approval to distribute the settlement fund.

7 According to Plaintiffs, the settlement administrator received 1,973 claims,
8 approved 930 of those claims, and rejected 1,043 of those claims. For each rejected
9 claim, the settlement administrator gave the claimant an opportunity to submit a dispute
10 to the Court for review. Of the 1,043 rejected claims, only four claimants requested
11 review of the rejection. The settlement administrator resolved those four claims in
12 favor of the claimants without need for Court intervention.

13 Now that the number of approved claims has been determined, the settlement
14 administrator shall determine the *pro rata* share of the net settlement fund for each
15 approved claim. For approved claims entitled to less than \$10.00, the settlement
16 administrator shall notify the corresponding claimants that they will not receive a
17 distribution from the settlement fund. Thereafter, the settlement administrator shall
18 recalculate the *pro rata* share due to each remaining claimant and, then, send checks
19 to those remaining claimants.

20 Each check shall bear the following notation: “CASH PROMPTLY. VOID
21 AND SUBJECT TO REDISTRIBUTION IF NOT CASHED BY 90 DAYS AFTER
22 ISSUE DATE.” Each claimant shall be, further, advised that if they do not cash their
23 settlement check within 90 days after the check’s issue date, they will forfeit their right
24 to any recovery from the settlement. Funds that are forfeited shall revert back to the
25 settlement fund.

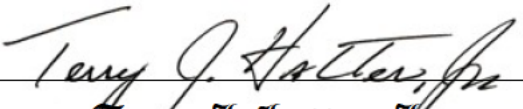
26 Thereafter, every 90 days, the settlement administrator shall redistribute the
27 unclaimed money remaining in the settlement fund as a result of uncashed checks until
28 the settlement fund has run out of funds.

1 If the settlement administrator and class counsel determine that a redistribution
2 is impractical, they shall advise the Court. If the Court agrees, any remaining money
3 in the settlement fund shall be distributed to The Boys and Girl's Club of El Monte, as
4 the *cy pres* designee.

5
6 Accordingly,

7
8 **It is Ordered** that the motion for disbursement of settlement funds be, and
9 hereby is, **Granted**.

10
11
12 Date: January 12, 2021

13 
14 Terry J. Hatter, Jr.
15 Senior United States District Judge
16
17
18
19
20
21
22
23
24
25
26
27
28