

1 **KESSLER TOPAZ**
2 **MELTZER & CHECK, LLP**
3 JENNIFER L. JOOST (Bar No. 296164)
4 jjoost@ktmc.com
5 STACEY M. KAPLAN (Bar No. 241989)
6 skaplan@ktmc.com
7 One Sansome Street, Suite 1850
8 San Francisco, CA 94104
9 Telephone: (415) 400-3000
10 Facsimile: (415) 400-3001

11 *Attorneys for Class Representatives Smilka*
12 *Melgoza, as trustee of the Smilka Melgoza*
13 *Trust U/A DTD 04/08/2014, Rediet Tilahun,*
14 *Tony Ray Nelson, Rickey E. Butler, Alan L.*
15 *Dukes, Donald R. Allen and Shawn B.*
16 *Dandridge, and Class Counsel for the Class*

17 [Additional counsel on signature page.]

18 **UNITED STATES DISTRICT COURT**
19 **FOR THE CENTRAL DISTRICT OF CALIFORNIA**
20 **WESTERN DIVISION**

21 IN RE SNAP INC. SECURITIES
22 LITIGATION

Case No. 2:17-cv-03679-SVW-AGR

CLASS ACTION

23 This Document Relates To: All Actions.

**REPLY MEMORANDUM IN
24 FURTHER SUPPORT OF CLASS
25 REPRESENTATIVES' MOTION FOR
26 APPROVAL OF DISTRIBUTION
27 PLAN**

28 Date: April 25, 2022
Time: 1:30 p.m.
Courtroom: 10A, 10th Floor
Judge: Hon. Stephen V. Wilson

1 Court-appointed Class Representatives Smilka Melgoza, as trustee of the Smilka
 2 Melgoza Trust U/A DTD 04/08/2014, Rediet Tilahun, Tony Ray Nelson, Rickey E.
 3 Butler, Alan L. Dukes, Donald R. Allen, and Shawn B. Dandridge (collectively, “Class
 4 Representatives”), by and through their undersigned attorneys, and on behalf of the Court-
 5 certified Class, respectfully submit this Reply Memorandum in further support of their
 6 Motion for Approval of Distribution Plan (ECF No. 405) (“Distribution Motion”),
 7 pursuant to Federal Rule of Civil Procedure 23, which seeks approval of the proposed
 8 plan for distributing the Net Settlement Fund to eligible Class Members and entry of the
 9 proposed Order Approving Distribution Plan (ECF No. 405-12) (“Class Distribution
 10 Order”).¹ As set forth in Class Representatives’ Distribution Motion, all Claimants with
 11 Disputed Claims (“Disputing Claimants”) were advised of the Distribution Motion and
 12 given until April 4, 2022, to submit additional information. Six Disputing Claimants have
 13 responded. One of the six has withdrawn their request for Court review.

14 **I. BACKGROUND**

15 On March 18, 2022, Class Representatives filed their Distribution Motion
 16 requesting that the Court enter the proposed Class Distribution Order which will, among
 17 other things: (i) approve the administrative determinations of the Claims Administrator,
 18 JND Legal Administration (“JND”), accepting and rejecting Claims submitted in the
 19 Action; and (ii) direct the distribution of the Net Settlement Fund to Claimants whose
 20 Claims are accepted by JND as valid and approved by the Court (“Authorized
 21 Claimants”), while maintaining a Reserve for contingencies that may arise.

22 As set forth in the Segura Declaration filed in support of the Distribution Motion,
 23 JND received and processed 69,532 Claims through October 28, 2021. Segura Decl., ¶¶ 8,
 24 43. At the time the Distribution Motion was filed, there were 26 outstanding requests for
 25 Court review. *See Id.*, ¶¶ 35-36, and Exhibit D to the Segura Declaration (ECF Nos. 405-6
 26

27 ¹ All capitalized terms used herein have the meanings set forth in the Distribution
 28 Motion or in the Declaration of Luiggy Segura (ECF No. 405-2) (“Segura Declaration” or
 “Segura Decl.”) previously filed in support of the Distribution Motion.

1 & 405-7) (“Disputed Claims Chart”). As set forth in the Distribution Motion, Class
 2 Counsel provided each of the 26 Disputing Claimants with a cover letter, a copy of the
 3 Distribution Motion, the memorandum of points and authorities in support of the
 4 Distribution Motion, the Segura Declaration (without the voluminous exhibits), the
 5 Disputed Claims Chart (along with a copy of the supporting documentation that pertained
 6 to that particular Disputed Claim), and the proposed order.² In the cover letter, Class
 7 Counsel advised the Disputing Claimants that they could submit information in support of
 8 their dispute to the Court with a copy to Class Counsel by April 4, 2022. *See* Nirmul
 9 Decl., ¶ 2. As set forth below, Class Counsel has received responses from six Disputing
 10 Claimants.

11 **III. RESPONSES RECEIVED BY DISPUTING CLAIMANTS**

12 As set forth above, six of the 26 Disputing Claimants have responded to Class
 13 Representatives’ Distribution Motion. Those responses follow:

- 14 • **Disputing Claimant No. 23** responded to the Distribution Motion by email and
 15 has withdrawn his request for Court review. *See* Nirmul Decl., Ex. 1.
 16 Accordingly, as recommended by JND, this Claim should be rejected.
- 17 • **Disputing Claimant No. 1** responded to the Distribution Motion by email to
 18 confirm receipt of the Distribution Motion and essentially confirm his request
 19 for Court review. *See id.* Ex. 2. Disputing Claimant No. 1, however, did not
 20 provide any additional information to cure the deficiency in his Claim. Thus,
 21 this Claim still does not calculate to a loss pursuant to the Court-approved Plan
 22 of Allocation and Disputing Claimant No. 1’s response does not change JND’s
 23 recommendation to reject the Claim.
- 24 • **Disputed Claimant No. 9** responded to the Distribution Motion by email asking
 25 whether Class Counsel “[w]ould [] like [him] to do something with this info” or
 26

27 ² Class Counsel sent these documents by mail and, for the 25 Disputing Claimants
 28 for which JND had email addresses, Class Counsel also sent the documents by email. *See*
 Declaration of Sharan Nirmul in Further Support of Distribution Motion (“Nirmul Decl.”)
 submitted herewith, ¶ 2.

1 if “[he could] help in anyway?” Class Counsel responded by advising Disputing
2 Claimant No. 9 that he did not provide the necessary information to calculate his
3 Claim pursuant to the Plan of Allocation and informed him of what information
4 was needed. *See id.* Ex. 3. Despite the response, Disputing Claimant No. 9 did
5 not provide the information needed to calculate his Claim pursuant to the Plan of
6 Allocation. Accordingly, Disputing Claimant No. 9’s response does not change
7 JND’s recommendation to reject the Claim.

- 8 • **Disputed Claimant No. 16** responded to the Distribution Motion by email. *See*
9 *id.* Ex. 4. As explained in the Distribution Motion, although this Claim was not
10 eligible for a distribution from the State Settlement, the Claim is eligible for a
11 distribution from the Federal Settlement. Because this Claimant did not specify
12 whether his request for Court review was specifically for the State Settlement or
13 for both Settlements and JND could not get the Claimant to affirmatively
14 withdraw his request for Court review for the Federal Settlement, JND, out of an
15 abundance of caution, maintained Disputing Claimant No. 16’s request for Court
16 review. Disputing Claimant No. 16’s response does not change JND’s
17 recommendation, and this Claim will be accepted and is eligible to participate in
18 the distribution of the Federal Settlement.
- 19 • **Disputing Claimant No. 17** responded to the Distribution Motion by email.
20 Disputing Claimant No. 17 had initially submitted purchase information for two
21 shares of Snap Common Stock. These two shares calculated to a *de minimus*
22 (less than \$10.00) loss under the Plan of Allocation. With his response to the
23 Distribution Motion, Disputing Claimant No. 17 submitted additional
24 transactions in Snap Common Stock. *See id.* Ex. 5. When all of this Claimant’s
25 transactions were combined and re-calculated pursuant to the Court-approved
26 Plan of Allocation, the Claim resulted in no loss. Accordingly, this Claim is now
27 being recommended for rejection.

- **Disputing Claimant No. 26** responded to the Distribution Motion by email raising various arguments as to why he is entitled to a distribution from the Settlement despite the fact that his transactions in Snap Common Stock do not calculate to a loss pursuant to the Plan of Allocation. *See id.* Ex. 6. As addressed in Class Counsel’s response to Disputing Claimant No. 26’s email (*see id.* Ex. 7), his arguments are baseless and do not change JND’s recommendation to reject the Claim.

III. CONCLUSION

For the foregoing reasons, as well as for all of the reasons set forth in the opening papers filed in support of the Distribution Motion, Class Representatives respectfully request that the Court enter the proposed Class Distribution Order adopting JND’s administrative determinations accepting and rejecting Claims submitted in the Action (including JND’s determinations with respect to the Disputed Claims) and approving the proposed plan for distribution of the Net Settlement Fund. Class Counsel respectfully submits that the Distribution Motion can be decided on the papers, unless the Court deems a hearing necessary.

Dated: April 11, 2022

Respectfully submitted,

**KESSLER TOPAZ
MELTZER & CHECK, LLP**

/s/ Sharan Nirmul

SHARAN NIRMUL (Pro Hac Vice)

snirmul@ktmc.com

NATHAN HASIUK (Pro Hac Vice)

nhasiuk@ktmc.com

JONATHAN F. NEUMANN (Pro Hac Vice)

jneumann@ktmc.com

280 King of Prussia Road

Radnor, PA 19087

Telephone: (610) 667-7706

Facsimile: (610) 667-7056

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JENNIFER L. JOOST (Bar No. 296164)
jjoost@ktmc.com
STACEY M. KAPLAN (Bar No. 241989)
skaplan@ktmc.com
One Sansome Street, Suite 1850
San Francisco, CA 94104
Telephone: (415) 400-3000
Facsimile: (415) 400-3001

*Attorneys for Class Representatives Smilka
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U/A DTD 04/08/2014, Rediet Tilahun, Tony Ray
Nelson, Rickey E. Butler, Alan L. Dukes, Donald R.
Allen and Shawn B. Dandridge, and Class Counsel
for the Class*

ROSMAN & GERMAIN APC
DANIEL L. GERMAIN (Bar No. 143334)
Germain@lalawyer.com
16311 Ventura Boulevard, Suite 1200
Encino, CA 91436
Telephone: (818) 788 0877
Facsimile: (818) 788-0885

Liaison Counsel for the Class

LARSON LLP
STEPHEN G. LARSON (Bar No. 145225)
slarson@larsonobrienlaw.com
PAUL A. RIGALI (Bar No. 262948)
prigali@larsonobrienlaw.com
555 South Flower Street, Suite 4400
Los Angeles, CA 90071
Telephone: (213) 436-4888
Facsimile: (213) 623-2000

Local Counsel for Class Representatives

THE SCHALL LAW FIRM
BRIAN SCHALL (Bar No. 290685)
brian@schallfirm.com
1880 Century Park East, Suite 404
Los Angeles, CA 90067
Telephone: (310) 301-3335
Facsimile: (310) 388-0192

*Additional Counsel for Class Representatives
Smilka Melgoza, as trustee of the Smilka Melgoza*

Trust U/A DTD 04/08/2014, and Rediet Tilahun

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