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*Lead Counsel for Lead Plaintiffs and the Settlement  
Class*

**UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION**

IN RE HP INC. SECURITIES LITIGATION

Case No. 3:20-cv-01260-SI

CLASS ACTION

**REPLY MEMORANDUM OF  
POINTS AND AUTHORITIES IN  
FURTHER SUPPORT OF (I) LEAD  
PLAINTIFFS’ MOTION FOR FINAL  
APPROVAL OF SETTLEMENT AND  
PLAN OF ALLOCATION, AND  
(II) LEAD COUNSEL’S MOTION  
FOR ATTORNEYS’ FEES AND  
LITIGATION EXPENSES**

Judge: Hon. Susan Illston  
Date: July 28, 2023  
Time: 10:00 a.m.



1 Settlement Class Members and Nominees—not a single member of the Settlement Class has  
2 objected to any aspect of the Settlement, the Plan of Allocation, or the requested attorneys’ fees  
3 and Litigation Expenses. The absence of objections is especially noteworthy here because  
4 institutional investors held the majority of HP common stock during the Class Period—and, even  
5 though such investors have the staff and resources to object if they believe it is warranted, none  
6 did so. Further, not a single institutional investor has requested exclusion from the Settlement  
7 Class and only 35 requests for exclusion from individuals were received. The shares reported by  
8 these exclusion requests represent a miniscule fraction (roughly 0.0006%) of the total number of  
9 damaged shares eligible to participate in the Settlement.<sup>2</sup>

10 As explained below, the positive reaction of the Settlement Class further supports a  
11 finding that the proposed Settlement, Plan of Allocation, and request for attorneys’ fees and  
12 Litigation Expenses are all fair and reasonable—and should be approved.

### 13 ARGUMENT

14 Lead Plaintiffs and Lead Counsel respectfully submit that their opening papers  
15 demonstrate that approval of the Motions is warranted. Now that the time for objecting or  
16 requesting exclusion from the Settlement Class has passed, the reaction of the Settlement Class,  
17 including the lack of any objections by Settlement Class Members, provides additional support  
18 for the Court’s approval of the Motions.

#### 19 **I. The Robust Court-Approved Notice Program**

20 In accordance with the Court’s Preliminary Approval Order (ECF No. 124), the Claims  
21 Administrator, A.B. Data, Ltd. (“A.B. Data”), conducted an extensive notice program under Lead  
22 Counsel’s supervision. The notice program included mailing the Postcard Notice to potential  
23 Settlement Class Members and Nominees, publishing the Summary Notice in *The Wall Street*

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25 <sup>2</sup> The Parties agree that certain of the requests for exclusion received are invalid under the  
26 terms of the Stipulation. Specifically, of the 35 requests for exclusion received, 17 requests for  
27 exclusion included transactional information as required by the Notice (“Valid Exclusions”) and  
28 18 requests for exclusion did not include transactional information as required by the Notice  
29 (“Invalid Exclusions”). *See* Supplemental Declaration of Jack Ewashko (“Supp. Ewashko  
Decl.”), ¶ 8. All 35 requests for exclusion are attached to the Supp. Ewashko Decl.

1 *Journal* and over *PR Newswire*, and creating a case website, [www.HPSEcuritiesSettlement.com](http://www.HPSEcuritiesSettlement.com),  
2 where copies of the Notice and Claim Form and other information and documents related to the  
3 Settlement could be accessed.

4 A.B. Data began mailing the Postcard Notice to potential Settlement Class Members on  
5 April 28, 2023. *See* ECF No. 132-4, ¶¶ 3-4.<sup>3</sup> As of July 20, 2023, A.B. Data has mailed a total of  
6 665,051 Postcard Notices to potential Settlement Class Members and Nominees. *See* Supp.  
7 Ewashko Decl., ¶ 2. Of that number, 18,278 or 2.7%, were returned as undeliverable, with no  
8 alternative address found. *Id.*, ¶ 3. This rate is consistent with (or lower than) comparable notice  
9 programs. *Id.*

10 The Summary Notice, which informed readers of the proposed Settlement, how to obtain  
11 copies of the Notice and Claim Form, and the deadlines for the submission of Claims, objections,  
12 and requests for exclusion, was published in *The Wall Street Journal* and released over  
13 *PR Newswire* on May 19, 2023. ECF No.132-4, ¶ 10.

14 The notices informed Settlement Class Members of the terms of the proposed Settlement  
15 and that Lead Counsel would apply for an award of attorneys' fees in an amount not to exceed  
16 18% of the Settlement Fund and for Litigation Expenses not to exceed \$250,000. *See* Postcard  
17 Notice; Summary Notice; Notice at p. 2 & ¶ 46. The notices also advised Settlement Class  
18 Members of their right to request exclusion from the Settlement Class or object to the proposed  
19 Settlement, the Plan of Allocation, and/or the request for attorneys' fees and Litigation Expenses,  
20 and the July 7, 2023 deadline for doing so. *See* Postcard Notice; Summary Notice; Notice at p. 3  
21 & ¶¶ 48-49, 55-58.

22 On June 23, 2023, 14 days before the objection and exclusion deadline, Lead Plaintiffs  
23 and Lead Counsel filed their detailed opening papers in support of the Settlement, Plan of  
24 Allocation, and fee and Litigation Expense request. These papers are available on the public  
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26 <sup>3</sup> A.B. Data also mailed the Notice and Claim Form to Nominees as well as potential  
27 Settlement Class Members upon request (*id.*, ¶¶ 4, 7) and sent emails (with content similar to the  
28 text of the Postcard Notice) to potential Settlement Class Members where an email address was  
provided (*id.*, ¶ 9).

1 docket (ECF Nos. 130-132), and were promptly posted to the case website, Supp. Ewashko Decl.,  
 2 ¶ 5.<sup>4</sup>

3 As noted above, following this extensive Court-approved notice program, not a single  
 4 Settlement Class Member has objected to any aspect of the proposed Settlement, the Plan of  
 5 Allocation, or Lead Counsel’s application for attorneys’ fees and Litigation Expenses. In addition,  
 6 only 35 requests for exclusion from the Settlement Class have been received. Supp. Ewashko  
 7 Decl., ¶ 7 & Ex. 1. All 35 requests received were submitted by individual shareholders.  
 8 Collectively, the individuals requesting exclusion reported purchasing fewer than 4,742 shares of  
 9 HP common stock allegedly damaged by Defendants’ alleged misconduct—roughly 0.0006% of  
 10 the total number of allegedly damaged shares as estimated by Lead Plaintiffs’ damages expert.

11 **II. The Reaction of the Settlement Class Supports Approval of the Settlement,**  
 12 **the Plan of Allocation, and the Motion for Attorneys’ Fees and Expenses**

13 The Ninth Circuit instructs district courts to consider the reaction of the class in  
 14 determining whether to approve a class action settlement. *See Churchill Vill., L.L.C. v. Gen. Elec.*,  
 15 361 F.3d 566, 575 (9th Cir. 2004). Moreover, “[i]t is established that the absence of a large  
 16 number of objections to a proposed class action settlement raises a strong presumption that the  
 17 terms of a proposed class settlement action are favorable to the class members.” *Nat’l Rural*  
 18 *Telecomms. Coop. v. DIRECTV, Inc.*, 221 F.R.D. 523, 529 (C.D. Cal. 2004).

19 Here, the absence of *any* objections along with the low number of requests for exclusion  
 20 supports a finding that the proposed Settlement is fair, reasonable, and adequate. *See, e.g., Vataj*  
 21 *v. Johnson*, 2021 WL 5161927, at \*7 (N.D. Cal. Nov. 5, 2021) (“[T]he absence of a large number  
 22 of objections to a proposed class action settlement raises a strong presumption that the terms of a  
 23 proposed class settlement action are favorable to the class members.”) (alteration in original);  
 24 *Taafua v. Quantum Glob. Techs., LLC*, 2021 WL 579862, at \*7 (N.D. Cal. Feb. 16, 2021) (“The  
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26 \_\_\_\_\_  
 27 <sup>4</sup> The Notice informed Settlement Class Members that Lead Counsel would file their papers  
 28 in support of their motion for attorneys’ fees and Litigation Expenses on June 23, 2023, and that  
 those papers would be made available on the Settlement Website. Notice ¶ 47.

1 lack of objections and low number of requested exclusions . . . indicates support among the class  
2 members and weighs in favor of approving the settlement.”); *Giroux v. Essex Prop. Tr., Inc.*,  
3 2019 WL 2106587, at \*5 (N.D. Cal. May 14, 2019) (“The Court finds that the absence of  
4 objections and very small number of opt-outs indicate overwhelming support among the Class  
5 Members and weigh in favor of approval.”); *Destefano v. Zynga, Inc.*, 2016 WL 537946, at \*13  
6 (N.D. Cal. Feb. 11, 2016) (“By any standard, the lack of objection of the Class Members favors  
7 approval of the Settlement.”); *In re Apollo Grp. Inc. Sec. Litig.*, 2012 WL 1378677, at \*3 (D.  
8 Ariz. Apr. 20, 2012) (“There have been no objections from Class Members or potential class  
9 members, which itself is compelling evidence that the Proposed Settlement is fair, just,  
10 reasonable, and adequate.”).

11           Moreover, it is especially significant that no institutional investors—which held the  
12 majority of HP’s publicly traded common stock during the Class Period—have objected to the  
13 Settlement or requested exclusion from the Settlement Class. The absence of objections (and  
14 exclusion requests) in response to the proposed Settlement from these institutional investors,  
15 which have ample means and incentive to object to the Settlement if they deemed it unsatisfactory,  
16 is further evidence of the Settlement’s fairness. *See, e.g., In re Extreme Networks, Inc. Sec. Litig.*,  
17 2019 WL 3290770, at \*9 (N.D. Cal. July 22, 2019) (“Many potential class members are  
18 sophisticated institutional investors; the lack of objections from such institutions indicates that  
19 the settlement is fair and reasonable.”); *In re Facebook, Inc. IPO Sec. & Derivative Litig.*, 343 F.  
20 Supp. 3d 394, 410 (S.D.N.Y. 2018) (“That not one sophisticated institutional investor objected to  
21 the Proposed Settlement is indicia of its fairness.”); *In re Cathode Ray Tube (CRT) Antitrust*  
22 *Litig.*, 2017 WL 2481782, at \*4 (N.D. Cal. June 8, 2017) (the absence of any objections from  
23 institutions means that “the inference that the class approves of the settlement is even stronger”);  
24 *In re AT&T Corp. Sec. Litig.*, 2005 WL 6716404, at \*4 (D.N.J. Apr. 25, 2005) (the reaction of  
25 the class “weigh[ed] heavily in favor of approval” where “no objections were filed by any  
26 institutional investors who had great financial incentive to object”).

27           The lack of objections from Settlement Class Members also supports approval of the  
28 proposed Plan of Allocation. *See, e.g., In re Heritage Bond Litig.*, 2005 WL 1594403, at \*11

1 (C.D. Cal. June 10, 2005) (“The fact that there has been no objection to this plan of allocation  
2 favors approval of the Settlement.”); *Patel v. Axesstel, Inc.*, 2015 WL 6458073, at \*7 (S.D. Cal.  
3 Oct. 23, 2015) (approving plan of allocation where “no class members objected”); *In re Veeco*  
4 *Instruments Inc. Sec. Litig.*, 2007 WL 4115809, at \*14 (S.D.N.Y. Nov. 7, 2007) (“[N]ot one class  
5 member has objected . . . . This favorable reaction of the Class supports approval of the Plan of  
6 Allocation.”).

7 Likewise, the absence of any objections to Lead Counsel’s motion for attorneys’ fees and  
8 expenses supports a finding that the fee and expense request is fair and reasonable. *See, e.g.*,  
9 *Acosta v. Frito-Lay, Inc.*, 2018 WL 2088278, at \*12 (N.D. Cal. May 4, 2018) (“The absence of  
10 objections or disapproval by class members . . . supports the finding that Plaintiffs’ request is  
11 reasonable.”); *Destefano*, 2016 WL 537946, at \*18 (“[T]he lack of objection by any Class  
12 Members” supported the fee requested.); *In re Nuvelo, Inc. Sec. Litig.*, 2011 WL 2650592, at \*3  
13 (N.D. Cal. July 6, 2011) (finding only one objection to the fee request to be “a strong, positive  
14 response from the class, supporting an upward adjustment of the benchmark [fee award]”);  
15 *Heritage Bond*, 2005 WL 1594403, at \*21 (“The absence of objections or disapproval by class  
16 members to Class Counsel’s fee request further supports finding the fee request reasonable.”).

17 As with approval of the proposed Settlement, the lack of objections by institutional  
18 investors in particular supports approval of the fee request. *See In re Rite Aid Corp. Sec. Litig.*,  
19 396 F.3d 294, 305 (3d Cir. 2005) (fact that “a significant number of investors in the class were  
20 ‘sophisticated’ institutional investors that had considerable financial incentive to object had they  
21 believed the requested fees were excessive,” but did not do so, supported approval of the fee  
22 request); *In re Bisys Sec. Litig.*, 2007 WL 2049726, at \*1 (S.D.N.Y. July 16, 2007) (noting that  
23 there was only one objection from an individual—and none from any institutions—“even though  
24 the class included numerous institutional investors who presumably had the means, the motive,  
25 and the sophistication to raise objections if they thought the [requested] fee was excessive”).

### 26 **III. Claims Received to Date**

27 As of July 20, 2023, A.B. Data has received 6,830 Claims, either by mail or electronically  
28 via the Settlement Website. *See* Supp. Ewashko Decl., ¶ 9. The deadline for submitting Claims is

1 August 14, 2023. In A.B. Data’s experience, the large majority of claimants submit their claims  
2 at or shortly before the deadline. *Id.*

3 **CONCLUSION**

4 For the foregoing reasons and the reasons set forth in their opening papers, Lead Plaintiffs  
5 and Lead Counsel respectfully request that the Court approve the Settlement, the Plan of  
6 Allocation, and the motion for attorneys’ fees and Litigation Expenses. Copies of the (i) proposed  
7 Judgment,<sup>5</sup> (ii) proposed Order Approving Plan of Allocation of Net Settlement Fund, and  
8 (iii) proposed Order Awarding Attorneys’ Fees and Litigation Expenses are filed herewith and  
9 submitted in Word format to Your Honor’s email.

10 Dated: July 21, 2023

Respectfully Submitted,

11 **KESSLER TOPAZ MELTZER**  
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13 /s/ Jennifer L. Joost

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-and-

21 <sup>5</sup> As submitted, Exhibit 1 to the Judgment lists the names (along with city and state) of the  
22 17 individuals who submitted Valid Exclusions and excludes them from the Settlement Class. As  
23 discussed above, the Parties agree that 18 of the requests for exclusion received are invalid under  
24 the terms of the Stipulation because they failed to include the required transactional information.  
25 If the Court determines that all 35 requests for exclusion should nevertheless be accepted as valid,  
26 the individuals listed in Exhibit 2 to the Supp. Ewashko Decl. should be added to the list set forth  
27 in Exhibit 1 so that they too are excluded from the Settlement Class. Although Lead Plaintiffs  
28 agree that the 18 requests set forth in Exhibit 2 to the Supp. Ewashko Decl. are technically invalid,  
they will not object if the Court decides to accept them and exclude those individuals from the  
Settlement Class.

<sup>6</sup> In compliance with Civil Local Rule 5-1(h)(3), I hereby attest that concurrence in the  
filing of this document has been obtained from the signatories.



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