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

*In re Mattel, Inc. Securities
Litigation*

Case No. 2:19-cv-10860-MCS-PLA

**[PROPOSED] ORDER
APPROVING DISTRIBUTION
PLAN**

Judge: Hon. Mark C. Scarsi
Courtroom: 7C, 7th Floor
Date: November 20, 2023
Time: 9:00 a.m.

1 Lead Plaintiffs moved this Court for an order approving a distribution plan for
2 the Net Settlement Fund in the above-captioned securities class action (“Action”).
3 Having reviewed and considered all the materials and arguments submitted in
4 support of the motion, including the supporting Memorandum of Points and
5 Authorities and the Declaration of Luiggy Segura in Support of Lead Plaintiffs’
6 Motion for Approval of Distribution Plan (“Segura Declaration”) submitted on
7 behalf of the Court-approved Claims Administrator JND Legal Administration
8 (“JND”).

9 NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

10 1. This Order incorporates by reference the definitions in the Stipulation
11 and Agreement of Settlement dated as November 23, 2021 (ECF No. 143-1)
12 (“Stipulation”), the Notice of (I) Pendency of Class Action and Proposed Settlement;
13 (II) Settlement Hearing; and (III) Motion for Attorneys’ Fees and Litigation
14 Expenses (ECF No. 149-3, Ex. A) (“Notice”), and the Segura Declaration, and all
15 terms used in this Order shall have the same meanings as defined in the Stipulation,
16 Notice, and the Segura Declaration.

17 2. This Court has jurisdiction over the subject matter of the Action and
18 over all parties to the Action, including all Class Members.

19 3. Lead Plaintiffs’ plan for distribution of the Net Settlement Fund to
20 Authorized Claimants is **APPROVED**. Accordingly:

21 (a) The administrative determinations of the Court-approved Claims
22 Administrator, JND, to accept the Timely Eligible Claims set forth in Exhibit
23 E to the Segura Declaration and the Late But Otherwise Eligible Claims set
24 forth in Exhibit F to the Segura Declaration are adopted.

25 (b) The Claims Administrator’s administrative determinations to
26 reject the Rejected Claims, as set forth in Exhibit G to the Segura Declaration,
27 including the Disputed Claim discussed in paragraph 32 of the Segura
28 Declaration and Exhibit D to the Segura Declaration, are adopted.

1 (c) JND is directed to conduct the Initial Distribution of the Net
2 Settlement Fund after deducting all payments previously allowed, payments
3 approved by this Order, and any estimated taxes, the costs of preparing
4 appropriate tax returns, and any escrow fees, while maintaining a 5% reserve
5 from the Net Settlement Fund to address any tax liability or claims
6 administration-related contingencies that may arise.

7 Specifically, as set forth in paragraph 45(a)(1-5) of the Segura Declaration:

8 (1) JND will calculate award amounts for all Authorized Claimants as
9 if the entire Net Settlement Fund were to be distributed now. JND will
10 calculate each Authorized Claimant's (a) *pro rata* share of the Mattel
11 Distribution Fund based on the amount of the Authorized Claimant's
12 Mattel Recognized Claim in comparison to the total Mattel Recognized
13 Claims of all Authorized Claimants, and (b) *pro rata* share of the PwC
14 Distribution Fund based on the amount of the Authorized Claimant's
15 PwC Recognized Claim in comparison to the total PwC Recognized
16 Claims of all Authorized Claimants; (2) JND will eliminate from the
17 Initial Distribution any Authorized Claimant whose combined *pro rata*
18 share of the Mattel Distribution Fund and the PwC Distribution Fund
19 calculates to less than \$10.00. These Claimants will not receive any
20 payment from the Net Settlement Fund and will be so notified by JND;
21 (3) After eliminating Claimants who would have received less than
22 \$10.00, JND will then recalculate the *pro rata* share of the Mattel
23 Distribution Fund and PwC Distribution Fund for Authorized
24 Claimants who would have received \$10.00 or more pursuant to the
25 calculations described in subparagraph (a)(1) above. An Authorized
26 Claimant's *pro rata* share of the Mattel Distribution Fund and *pro rata*
27 share of the PwC Distribution Fund (as recalculated in the previous
28 sentence) is the Authorized Claimant's "Distribution Amount";

1 (4) Authorized Claimants whose Distribution Amount calculates to less
2 than \$200.00 will be paid their full Distribution Amount in the Initial
3 Distribution (“Claims Paid in Full”). These Authorized Claimants will
4 receive no additional funds in subsequent distributions; and (5) 95% of
5 the remaining balance of the Net Settlement Fund will be distributed
6 *pro rata* to Authorized Claimants whose Distribution Amount
7 calculates to \$200.00 or more. The remaining 5% of the Net Settlement
8 Fund will be held in the Reserve to address any tax liability or claims
9 administration-related contingencies that may arise following the Initial
10 Distribution. To the extent the Reserve is not depleted, the remainder
11 will be distributed in the Second Distribution described in subparagraph
12 (f) below.

13 (d) To encourage Authorized Claimants to cash their checks
14 promptly, all distribution checks will bear the following notation: “CASH
15 PROMPTLY. VOID AND SUBJECT TO REDISTRIBUTION IF NOT
16 CASHED BY [DATE 90 DAYS AFTER ISSUE DATE].” Lead Counsel and
17 JND are authorized to take appropriate action to locate and contact Authorized
18 Claimants who have not cashed their checks within said time as detailed in
19 paragraph 45(b) of the Segura Declaration.

20 (e) Authorized Claimants who do not cash their Initial Distribution
21 checks within the time allotted or on the conditions set forth in paragraph
22 45(b) of the Segura Declaration will irrevocably forfeit all recovery from the
23 Settlement, and the funds allocated to these stale-dated checks will be
24 available to be distributed to other Authorized Claimants in the Second
25 Distribution. Similarly, Authorized Claimants who do not cash their
26 distribution checks in the Second Distribution or subsequent distributions,
27 should such distributions occur, within the time allotted or on the conditions
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1 set forth in paragraph 45(b) of the Segura Declaration will irrevocably forfeit
2 any further recovery from the Net Settlement Fund.

3 (f) After JND has made reasonable and diligent efforts to have
4 Authorized Claimants cash their Initial Distribution checks (as provided in
5 paragraph 45(b) of the Segura Declaration), but not earlier than seven (7)
6 months after the Initial Distribution, JND will, after consulting with Lead
7 Counsel, conduct the Second Distribution, in which any amount remaining in
8 the Net Settlement Fund, after deducting any unpaid fees and expenses
9 incurred, will be distributed to all Authorized Claimants (other than Claims
10 Paid in Full) who cashed their Initial Distribution check and are entitled to
11 receive at least \$10.00 from the Second Distribution based on their *pro rata*
12 shares of the funds remaining in the Mattel Distribution Fund and PwC
13 Distribution Fund. If any funds remain in the Net Settlement Fund after the
14 Second Distribution, and if cost-effective, subsequent distributions will take
15 place at six-month intervals.

16 (g) When Lead Counsel, in consultation with JND, determines that
17 further distribution of the funds remaining in the Net Settlement Fund is not
18 cost-effective, if sufficient funds remain to warrant the processing of Claims
19 received after October 10, 2023, those Claims will be processed, and any
20 otherwise valid Claims received after October 10, 2023, as well as any earlier-
21 received Claims for which an upward adjustment was received after October
22 10, 2023, will be paid in accordance with subparagraph (h) below. If any funds
23 remain in the Net Settlement Fund after payment of these Claims and unpaid
24 fees or expenses, the remaining funds will be contributed to the Investor
25 Protection Trust (“IPT”).

26 (h) No new Claims may be accepted after October 10, 2023, and no
27 further adjustments to Claims received on or before October 10, 2023, that
28 would result in an increased Recognized Claim amount may be made for any

1 reason after October 10, 2023, subject to the following exception. If Claims
2 are received or modified after October 10, 2023, that would have been eligible
3 for payment or additional payment pursuant to the Court-approved Plan of
4 Allocation if timely received, then, at the time that Lead Counsel, in
5 consultation with JND, determines a distribution is not cost-effective as
6 provided in subparagraph (g) above, and after payment of any unpaid fees or
7 expenses incurred in connection with administering the Net Settlement Fund
8 and after deducting the payment of any estimated taxes, the costs of preparing
9 appropriate tax returns, and any escrow fees, these Claimants, at the discretion
10 of Lead Counsel and to the extent possible, may be paid their distribution
11 amounts or additional distribution amounts on a *pro rata* basis that would
12 bring them into parity with other Authorized Claimants who have cashed all
13 their prior distribution checks.

14 4. The Court finds that the administration of the Settlement and the
15 proposed distribution of the Net Settlement Fund comply with the terms of the
16 Stipulation and Plan of Allocation approved by this Court and that all persons
17 involved in the review, verification, calculation, tabulation, or any other aspect of
18 the processing of the Claims submitted, or who are otherwise involved in the
19 administration or taxation of the Settlement Fund or the Net Settlement Fund, are
20 hereby released and discharged from any and all claims arising out of that
21 involvement, and all Class Members and other Claimants, whether or not they
22 receive payment from the Net Settlement Fund, are hereby barred from making any
23 further claims against the Net Settlement Fund, Lead Plaintiffs, Lead Counsel, the
24 Claims Administrator, the Escrow Agent or any other agent retained by Lead
25 Plaintiffs or Lead Counsel in connection with the administration or taxation of the
26 Settlement Fund or the Net Settlement Fund, or any other person released under the
27 Settlement beyond the amounts allocated to Authorized Claimants.

1 5. All of JND’s fees and expenses incurred in the administration of the
2 Settlement and estimated to be incurred in connection with the Initial Distribution
3 of the Net Settlement Fund as set forth in the invoices attached as Exhibit H to the
4 Segura Declaration are approved, and Lead Counsel is directed to pay the
5 outstanding balance of \$281,422.52 out of the Settlement Fund to JND.

6 6. Unless otherwise ordered by the Court, JND may destroy the paper
7 copies of the Claims and all supporting documentation one year after the Initial
8 Distribution, and one year after all funds have been distributed may destroy the
9 electronic copies of the same.

10 7. This Court retains jurisdiction to consider any further applications
11 concerning the administration of the Settlement, and any other and further relief that
12 this Court deems appropriate.

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14 SO ORDERED this 22nd day of November, 2023.

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18 Mark C. Scarsi
19 United States District Judge
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