

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

IN RE BUMBLE, INC.
SECURITIES LITIGATION

Civil Action No. 22-cv-624 (DLC)

CLASS ACTION

**REPLY MEMORANDUM OF LAW IN FURTHER SUPPORT OF
(A) LEAD PLAINTIFF'S MOTION FOR FINAL APPROVAL OF SETTLEMENT
AND PLAN OF ALLOCATION AND (B) LEAD COUNSEL'S MOTION FOR
ATTORNEYS' FEES AND LITIGATION EXPENSES**

BERNSTEIN LITOWITZ BERGER &
GROSSMANN LLP

Salvatore Graziano
Jeremy P. Robinson
William E. Freeland
1251 Avenue of the Americas
New York, NY 10020

*Lead Counsel for Lead Plaintiff and the
Settlement Class*

KLAUSNER, KAUFMAN, JENSEN &
LEVINSON, P.A.

Robert D. Klausner
Stuart A. Kaufman
7080 Northwest 4th Street
Plantation, FL 33317

Additional Counsel for Lead Plaintiff

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Lead Plaintiff Louisiana Sheriffs' Pension & Relief Fund ("Lead Plaintiff"), on behalf of itself and the Settlement Class, and Lead Counsel respectfully submit this reply memorandum of law in further support of each of (a) Lead Plaintiff's Motion for Final Approval of Settlement and Plan of Allocation (ECF Nos. 78-79); and (b) Lead Counsel's Motion for Attorneys' Fees and Litigation Expenses (ECF Nos. 80-81) (together, the "Motions").¹

I. PRELIMINARY STATEMENT

The reaction of the Settlement Class confirms that all aspects of the proposed \$18,000,000 Settlement are fair and reasonable, and that the Motions should be granted. Following an extensive Court-approved notice program—including the mailing of over 102,000 copies of the Notice to potential Settlement Class members and nominees—not a single member of the Settlement Class objected to any aspect of the Settlement or the Plan of Allocation, or to any aspect of the requested attorneys' fees and expenses. This lack of objections represents a significant endorsement by the Settlement Class (the group most affected by the pending Motions) of the proposed Settlement and the requested fees and expenses. Indeed, the complete absence of objections is especially noteworthy here because institutional investors held the vast majority of Bumble Class A common stock during the Settlement Class Period—and even though such investors typically have the staff and resources to object if they believe there is cause to do so, none did. Further, not a single institutional investor requested exclusion from the Settlement Class. Relatedly, Lead Plaintiff, itself a sophisticated institutional investor, has expressly endorsed the Settlement and the requested attorneys' fees and expenses. *See* ECF No. 82-1, at ¶¶ 6-8.

¹ Unless otherwise noted, capitalized terms have the meanings given them in the Stipulation and Agreement of Settlement, dated March 27, 2023 (ECF No. 68-1) (the "Stipulation") or in the Declaration of Jeremy P. Robinson in Support of (A) Lead Plaintiff's Motion for Final Approval of Settlement and Plan of Allocation and (B) Lead Counsel's Motion for Attorneys' Fees and Litigation Expenses, dated June 28, 2023 (ECF No. 82).

There were only two investors who did request exclusion from the Settlement Class. Both are individual investors and, based on the trading information provided with their letters requesting exclusion, they did not purchase shares of Bubble Class A common stock during the Settlement Class Period directly in or traceable to Bumble's September 2021 Secondary Public Offering of Bumble Class A common stock (the "SPO"). As such, they are not Settlement Class Members and have no interest in the proposed Settlement under the Court's Preliminary Approval Order.

As explained below, the overwhelmingly positive reaction of the Settlement Class further supports a finding that the proposed Settlement, Plan of Allocation, and request for attorneys' fees and expenses are all fair and reasonable, and should be approved. The Motions should be granted.

II. THE REACTION OF THE SETTLEMENT CLASS FURTHER SUPPORTS APPROVAL OF THE SETTLEMENT, THE PLAN OF ALLOCATION, AND THE REQUESTED ATTORNEYS' FEES AND LITIGATION EXPENSES

Lead Plaintiff and Lead Counsel respectfully submit that their opening papers demonstrated why approval of the Motions is warranted. Now that the time for objecting or requesting exclusion from the Settlement Class has passed, the lack of objections and exclusion requests from Settlement Class Members establishes that the "reaction of the class" factor also strongly supports approval of both Motions.

A. The Court-Approved Robust Notice Program

In accordance with the Court's Preliminary Approval Order, 102,312 copies of the Notice Packet have been mailed to potential Settlement Class Members and their nominees. *See* Supplemental Declaration of Luiggy Segura Regarding: (A) Mailing of the Notice and Claim Form and (B) Report on Requests for Exclusion Received (the "Suppl. Segura Decl."), filed herewith, at ¶ 2. The Notice informed Settlement Class Members of the terms of the proposed Settlement and Plan of Allocation, and that Lead Counsel would apply for an award of attorneys' fees in an amount not to exceed 25% of the Settlement Fund and payment of Litigation Expenses (including an award

to Lead Plaintiff as authorized under the PSLRA) in an amount not to exceed \$200,000. *See* Notice ¶¶ 6, 42. The Notice also apprised Settlement Class Members of (a) their right to object to the proposed Settlement, the Plan of Allocation, and/or the request for attorneys' fees and expenses; (b) their right to exclude themselves from the Settlement Class; and (c) the July 12, 2023 deadline for filing objections and for receipt of requests for exclusion. *See* Notice at p. 4 and ¶¶ 43, 50.²

On June 28, 2023, 14 days before the objection and exclusion deadline, Lead Plaintiff and Lead Counsel filed their opening papers in support of the Settlement, Plan of Allocation, and fee and expense request. These papers are available on the public docket (ECF Nos. 78-82), and were promptly posted on the Settlement website (www.BumbleSecuritiesLitigation.com), *see* Suppl. Segura Decl. ¶ 4, and on Lead Counsel's website (www.blbglaw.com/cases-investigations/bumble-inc).

On July 24, 2023, the Court entered an order adjourning the final Settlement Fairness Hearing scheduled for August 4, 2023 to August 8, 2023, at 2:30 p.m. ECF No. 83. On July 24, 2023, the Claims Administrator updated the Settlement website, *see* Suppl. Segura Decl. ¶ 5, and Lead Counsel updated its website to inform Settlement Class Members of the change in date and time of the Settlement Fairness Hearing.

B. No Settlement Class Member Objected or Requested Exclusion

As noted above, following implementation of this extensive notice program, no Settlement Class Member objected to any aspect of the Settlement, the Plan of Allocation, or Lead Counsel's

² The Summary Notice, which informed readers of the proposed Settlement, how to obtain copies of the Notice and Claim Form, and the deadlines for the submission of Claim Forms, objections, and requests for exclusion, was published in *Investor's Business Daily* and released over the *PR Newswire* on May 22, 2023. *See* Declaration of Luiggy Segura Regarding: (A) Mailing of the Notice and Claim Form; (B) Publication of the Summary Notice; and (C) Report on Requests for Exclusion Received to Date, dated June 28, 2023 (ECF No. 82-2) at ¶ 10.

motion for attorneys' fees and Litigation Expenses. Moreover, only two requests for exclusion from the Settlement Class have been received—both from individuals whose disclosed trading information indicates that they are not members of the Settlement Class because they did not purchase stock directly in or traceable to the SPO.³ Not a single objection or request for exclusion has been received from any institutional investor.

C. The Settlement Class's Reaction Supports Approval of the Settlement and the Plan of Allocation

The absence of any objections or requests for exclusion from Settlement Class Members is yet another factor (beyond those already discussed in the opening briefs) that strongly supports a finding that the Settlement is fair, reasonable, and adequate. Indeed, “the favorable reaction of the overwhelming majority of class members to the Settlement is perhaps the most significant factor in [the] *Grinnell* inquiry” into the fairness and adequacy of the Settlement. *Wal-Mart Stores, Inc. v. Visa U.S.A. Inc.*, 396 F.3d 96, 119 (2d Cir. 2005); *see also id.* at 118 (“If only a small number of objections are received, that fact can be viewed as indicative of the adequacy of the settlement.”) (quoting 4 NEWBERG ON CLASS ACTION § 13:58); *see also In re Virtus Inv. Partners, Inc. Sec. Litig.*, 2018 WL 6333657, at *2 (S.D.N.Y. Dec. 4, 2018) (“the absence of objections by the class is extraordinarily positive and weighs in favor of settlement”); *Fleisher v. Phoenix Life Ins. Co.*,

³ The Settlement Class consists of persons or entities who purchased or otherwise acquired the publicly traded Class A common stock of Bumble between September 10, 2021 and January 24, 2022, inclusive (the “Settlement Class Period”), directly in or traceable to the SPO, and were damaged thereby. *See* Stipulation, ¶ 1 (oo). One of the individuals requesting exclusion submitted a trading statement indicating that this individual purchased 8 shares of Bumble Class A common stock on May 4, 2021, *prior* to both the September 10, 2021 SPO and the start of the Settlement Class Period. *See* Supp. Segura Decl., ¶ 8 & Ex. 2. The other individual requesting exclusion submitted trading information indicating that this individual purchased 110 shares of Bumble Class A common stock during the Settlement Class Period (95 shares purchased on November 18, 2021 and an additional 15 shares purchased on December 23, 2021) *after* the SPO and has not provided any information demonstrating that those shares were specifically traceable to the SPO. *See id.*, ¶ 9 & Ex. 3. Accordingly, based on the trading information they provided, neither of these individuals qualifies as a member of the Settlement Class.

2015 WL 10847814, at *6 (S.D.N.Y. Sept. 9, 2015) (“the absence of objections may itself be taken as evidencing the fairness of a settlement”); *In re Advanced Battery Techs., Inc. Sec. Litig.*, 298 F.R.D. 171, 176 (S.D.N.Y. 2014) (“The absence of . . . objections and minimal investors electing to opt out of the Settlement provides evidence of Class members’ approval of the terms of the Settlement.”).

It is also particularly significant that no institutional investors—who held the vast majority of Bumble Class A common stock during the Settlement Class Period—have objected to the Settlement. Institutional investors are sophisticated and possess the incentive and ability to object. The absence of objections by these sophisticated class members is thus further evidence of the fairness of the Settlement. *See In re Signet Jewelers Ltd. Sec. Litig.*, 2020 WL 4196468, at *6 (S.D.N.Y. July 21, 2020) (finding that the absence of objections from institutional investors, which are “often sophisticated and possess the incentive and ability to object” was “further evidence of the fairness of the Settlement.”); *In re Citigroup Inc. Bond Litig.*, 296 F.R.D. 147, 156 (S.D.N.Y. 2013) (the reaction of the class supported the settlement where “not one of the objections or requests for exclusion was submitted by an institutional investor”); *In re AT&T Corp. Sec. Litig.*, 2005 WL 6716404, at *4 (D.N.J. Apr. 25, 2005) (the reaction of the class “weigh[ed] heavily in favor of approval” where “no objections were filed by any institutional investors who had great financial incentive to object”).

The uniformly positive reaction of the Settlement Class also supports approval of the Plan of Allocation. *See, e.g., In re Veeco Instruments Inc. Sec. Litig.*, 2007 WL 4115809, at *14 (S.D.N.Y. Nov. 7, 2007) (“[N]ot one class member has objected to the Plan of Allocation which was fully explained in the Notice of Settlement sent to all Class Members. This favorable reaction of the Class supports approval of the Plan of Allocation.”).

D. The Settlement Class’s Reaction Supports Approval of the Fee and Expense Application

The positive reaction of the Settlement Class should also be considered with respect to Lead Counsel’s motion for an award of attorneys’ fees and Litigation Expenses. Indeed, courts uniformly hold that the complete absence of objections to the requested attorneys’ fees and litigation expenses supports a finding that the requests are fair and reasonable. *See, e.g., Signet Jewelers*, 2020 WL 4196468, at *21 (“The absence of any objections to the requested attorneys’ fees and Litigation Expenses supports a finding that the request is fair and reasonable.”); *Vaccaro v. New Source Energy Partners L.P.*, 2017 WL 6398636, at *8 (S.D.N.Y. Dec. 14, 2017) (“The fact that no class members have explicitly objected to these attorneys’ fees supports their award.”); *In re Veeco Instruments Inc. Sec. Litig.*, 2007 WL 4115808, at *10 (S.D.N.Y. Nov. 7, 2007) (the reaction of class members to a fee and expense request “is entitled to great weight by the Court” and the absence of any objection “suggests that the fee request is fair and reasonable”).

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

Accordingly, the uniformly favorable reaction of the Settlement Class strongly supports approval of the Settlement, Plan of Allocation, and the fee and expense request.

III. CONCLUSION

For the foregoing reasons, and those set forth in their opening papers, Lead Plaintiff and Lead Counsel respectfully request that the Court approve the Settlement, the Plan of Allocation, and the request for attorneys' fees and Litigation Expenses. Copies of the (i) proposed Judgment, (ii) proposed Order Approving Plan of Allocation of Net Settlement Fund, and (iii) proposed Order Awarding Attorneys' Fees and Litigation Expenses are being filed herewith.

Dated: July 26, 2023

Respectfully submitted,

BERNSTEIN LITOWITZ BERGER
& GROSSMANN LLP

/s/ Jeremy P. Robinson

Salvatore Graziano
Jeremy P. Robinson
William E. Freeland
1251 Avenue of the Americas
New York, NY 10020
Telephone: (212) 554-1400
Facsimile: (212) 554-1444
salvatore@blbglaw.com
jeremy@blbglaw.com
william.freeland@blbglaw.com

*Lead Counsel for Lead Plaintiff and the
Settlement Class*

KLAUSNER, KAUFMAN, JENSEN
& LEVINSON, P.A.

Robert D. Klausner
Stuart A. Kaufman
7080 Northwest 4th Street
Plantation, FL 33317
Telephone: (954) 916-1202
Facsimile: (954) 916-1232
bob@robertdklausner.com
stu@robertdklausner.com

Additional Counsel for Lead Plaintiff