

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

Onisko & Scholz, LLP, Paul Scholz, and Cindy Schoelen, on behalf of
themselves and all others similarly situated v. B.S.D. Capital, Inc.,
d/b/a Lendistry

Onisko & Scholz, LLP v. B.S.D. Capital, Inc., No. 2:24-cv-10314-MEMF-SK (C.D. Cal. Oct. 27, 2025) · No.
2:24-cv-10314-MEMF-SK · Decided October 27, 2025

SUMMARY

The United States District Court for the Central District of California granted Plaintiffs’ motion for attorneys’ fees and costs under 28 U.S.C. § 1447(c) after remanding the putative class action to state court. The Court held that Defendant lacked an objectively reasonable basis for removal under the Class Action Fairness Act because it failed to provide evidence establishing minimal diversity. The Court also found the fee motion timely and determined that Plaintiffs’ counsel’s requested hourly rates were reasonable.

CASE DETAILS

COURT	United States District Court for the Central District of California
WRITING FOR THE COURT	Maame Ewusi-Mensah Frimpong
JURISDICTION	United States District Court for the Central District of California
DECIDED	October 27, 2025
DOCKET	2:24-cv-10314-MEMF-SK
DISPOSITION	other
PROCEDURAL POSTURE	After the Court remanded Plaintiffs' putative class action to state court, Plaintiffs moved under 28 U.S.C. § 1447(c) for attorneys' fees and costs incurred in connection with the removal and remand proceedings.
STANDARD OF REVIEW	The award of fees under 28 U.S.C. § 1447(c) is committed to the district court's discretion. The Court applies the objectively reasonable basis standard for determining entitlement to fees and the lodestar method for calculating a reasonable award.
PRECEDENTIAL VALUE	unpublished district court order; nonprecedential

PARTIES

B.S.D. Capital, Inc., d/b/a Lendistry v. Onisko & Scholz, LLP, Paul Scholz, Cindy Schoelen, the putative class

TOPICS

attorney fees civil procedure class actions commercial litigation remedies

PRACTICE AREAS

civil procedure removal and remand attorneys' fees class actions commercial litigation

QUESTIONS PRESENTED

1. Whether Plaintiffs' motion for attorneys' fees was an improper motion for reconsideration of the remand order.
2. Whether Plaintiffs' motion for attorneys' fees was timely under the applicable federal rules, local rules, and the Court's Civil Standing Order.
3. Whether Lendistry lacked an objectively reasonable basis for removing the action under CAFA, thereby entitling Plaintiffs to fees under 28 U.S.C. § 1447(c).
4. What amount of attorneys' fees was reasonable under the lodestar method.

HOLDINGS

1. The motion was not a motion for reconsideration because the Court had not previously expressly ruled on Plaintiffs' request for attorneys' fees.
2. The motion was timely.
3. Plaintiffs were entitled to attorneys' fees because Lendistry lacked an objectively reasonable basis for removal.
4. Plaintiffs were entitled to \$26,520 in attorneys' fees, calculated using 31.2 attorney hours and no paralegal hours.

KEY QUOTATIONS

“The party seeking to invoke the district court’s diversity jurisdiction always bears the burden of both pleading and proving diversity jurisdiction” (at 7)

“There is no basis, in short, to accept part of the Complaint and reject the other in making allegations of minimal diversity.” (at 8)

“This Court believes that this calculation fairly strikes the balance between “the desire to deter removals sought for the purpose of prolonging litigation and imposing costs on the opposing party” and “not undermining Congress’s basic decision to afford defendants a right to remove . . . when the statutory criteria are satisfied.”” (at 10)

FACTUAL BACKGROUND

Lendistry administered California's Small Business and Nonprofit COVID-19 Supplemental Paid Sick Leave Relief Grant Program and operated a website through which applicants applied for grants and verified bank accounts. Plaintiffs alleged that a third-party bank-verification partner intercepted communications and accessed applicants' bank-account information without consent. Plaintiffs filed a putative class action asserting sixteen California-law claims, and Lendistry removed based on CAFA, arguing that the class definition necessarily included non-California citizens.

PROCEDURAL HISTORY

Plaintiffs filed a class action in Los Angeles County Superior Court on October 28, 2024. Lendistry removed the action under the Class Action Fairness Act on November 27, 2024. The Court granted Plaintiffs' motion to remand on June 24, 2025, and Plaintiffs then moved for attorneys' fees. Following briefing and oral argument, the Court granted the motion in part and awarded \$26,520.

DISPOSITION

other

CASES CITED

- Martin v. Franklin Capital Corp., 546 U.S. 132, 140-41 (2005)
- Lussier v. Dollar Tree Stores, Inc., 518 F.3d 1062, 1065-66 (9th Cir. 2008)
- Grancare, LLC v. Thrower ex rel. Mills, 889 F.3d 543, 552 (9th Cir. 2018)
- NewGen, LLC v. Safe Cig, LLC, 840 F.3d 606, 613-14 (9th Cir. 2016)
- DaimlerChrysler Corp. v. Cuno, 547 U.S. 332, 342 n.3 (2006)
- Broadway Grill, Inc. v. Visa Inc., 856 F.3d 1274, 1276 (9th Cir. 2017)
- Mondragon v. Capital One Auto Finance, 736 F.3d 880, 884 (9th Cir. 2013)
- Ehrman v. Cox Communications, Inc., 932 F.3d 1223, 1225 (9th Cir. 2019)
- Brinkley v. Monterey Financial Services, Inc., 873 F.3d 1118, 1122 (9th Cir. 2017)
- Harris v. Bankers Life & Casualty Co., 425 F.3d 689, 695-96 (9th Cir. 2005)
- Camacho v. Bridgeport Financial, Inc., 523 F.3d 973, 982-83 (9th Cir. 2008)
- Ferland v. Conrad Credit Corp., 244 F.3d 1145, 1147-49 & n.4 (9th Cir. 2001)
- Blum v. Stenson, 465 U.S. 886, 895 n.11 (1984)
- United Steelworkers of America v. Phelps Dodge Corp., 896 F.2d 403, 406-07 (9th Cir. 1990)
- Gates v. Deukmejian, 987 F.2d 1392, 1397-98 (9th Cir. 1993)
- Van Gerwen v. Guarantee Mutual Life Co., 214 F.3d 1041, 1048 (9th Cir. 2000)
- Moore v. Permanente Medical Group, Inc., 981 F.2d 443, 447 (9th Cir. 1992)
- Gotro v. R&B Realty Group, 69 F.3d 1485, 1488 (9th Cir. 1995)
- Clemons v. Mississippi, 494 U.S. 738 (1990)
- Roy v. County of Los Angeles, No. CV 12-09012-AB (FFMx), 2018 WL 3439168, at *1, *4 (C.D. Cal. July 11, 2018)

- Houden v. Todd, 348 F. App'x 221, 223 (9th Cir. 2009)

OPINION

Onisko & Scholz, LLP, Paul Scholz, and Cindy Schoelen, on behalf of themselves and all others similarly situated v. B.S.D. Capital, Inc., d/b/a Lendistry

PER CURIAM.

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UNITED STATES DISTRICT COURT

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CENTRAL DISTRICT OF CALIFORNIA

12 13 ONISKO & SCHOLZ, LLP, PAUL SCHOLZ, Case No.: 2:24-cv-10314-MEMF-SK and
CINDY SCHOELEN, on behalf of 14 themselves and all others similarly situated, ORDER
GRANTING PLAINTIFFS' 15 MOTION FOR ATTORNEYS' FEES [DKT. Plaintiffs, NO. 52] 16
v. 17

B.S.D. CAPITAL, INC., d/b/a LENDISTRY,

18 Defendant. 19

20 21 22 23 Before the Court is the Motion for Costs and Expenses Pursuant to 28 U.S.C. §
1447(c) filed 24 by Plaintiffs Onisko & Scholz LLP, Paul Scholz, and Cindy Schoelen. Dkt. No.
52 ("Motion"). For 25 the reasons stated herein, the Court hereby GRANTS the Motion. 26 / 27 /
28 1 I. Background 2 A. Factual Background1 3 Plaintiff Onisko and Scholz, LLP ("Onisko") is a
business located in Los Angeles County. 4 Compl. ¶ 6. Plaintiffs Paul Scholz and Cindy Schoelen
(together with Onisko, "Plaintiffs") are 5 people residing in Los Angeles County. Id. ¶ 7. 6
Defendant B.S.D. Capital ("Lendistry") has its principal place of business in Los Angeles 7
County. Id. ¶ 8. On April 25, 2023, Lendistry entered into a contract on with the Governor's Office
8 to administer the Small Business and Nonprofit COVID-19 Supplemental Paid Sick Leave
Relief 9 Grant Program ("Grant Program"). Id. ¶¶ 12-13. The Governor's Office required that
Lendistry 10 follow all applicable privacy laws in administering the Grant Program, including
during the 11 application process. Id. ¶ 51. As part of the contract, Lendistry was required to
establish a procedure 12 for applying to the Grant Program. Id. ¶ 15. Thus, Lendistry created a
program website and 13 application verification process. Id. As part of the application process, an
applicant is required to 14 create an account on the Lendistry app and verify their bank account.
Id. ¶ 57. 15 Lendistry's website allowed a third-party bank verification partner to intercept 16
communications between applicants and their financial institutions. Id. ¶ 62. This third-party
partner 17 accessed the putative class members' bank accounts without consent to repeatedly data
mine their 18 accounts to monetize the obtained data in transactions with other third parties. Id. ¶
63. 19 On October 28, 2024, Plaintiffs filed their class-action Complaint in Los Angeles Superior
20 Court. See generally Compl. Their Complaint defined the putative class is as "[a]ll persons in
21 California who submitted an application to Lendistry for a grant from the Small Business and

22 Nonprofit COVID-19 Supplemental Paid Sick Leave Relief Grant during the statute of limitations 23 period,” and those who submitted on behalf of a business or nonprofit. Id. ¶¶ 224, 228. It also states 24 that “Plaintiffs, all putative class members, and Defendant itself are citizens of this state [of 25 California].” Id. at 4. 26 27 1 The following factual background is derived from the allegation in Plaintiffs’ Complaint, Dkt. No. 1-1 28 (“Compl.”), except where otherwise indicated. The Court makes no finding on the truth of these allegations 1 On November 27, 2024, Lendistry filed its Notice of Removal, removing this case to federal 2 court. Dkt. No. 1. Lendistry alleged there that, “[b]ecause the putative class purports to encompass 3 ‘all persons in California’—rather than all California citizens—it necessarily includes people that are 4 not citizens of California.” Id. ¶ 21. 5 B. Procedural History 6 The Plaintiffs filed suit in the Los Angeles County Superior Court on October 28, 2024. See 7 Compl. The Plaintiffs bring sixteen claims under California law: (1) breach of contract; (2) 8 negligence; (3) violation of California’s Comprehensive Data Access and Fraud Act; (4) unlawful 9 obtaining or use of personal information; (5) violation of California Penal Code Act section 631; (6) 10 violation of California Penal Code section 632; (7) violation of California Penal Code section 632.7; 11 (8) violation of California Penal Code section 638.51; (9) invasion of privacy: intrusion upon 12 seclusion; (10) invasion of privacy: publication of private information; (11) invasion of privacy: 13 breach of confidence; (12) violation of California Constitutional Invasion of Privacy; (13) civil 14 conspiracy; (14) violation of Cal. Civ. Code sections 1709-1711; (15) breach of implied contract; 15 and (16) violations of California Unfair Competition Law. See generally Compl. The Plaintiffs bring 16 this action on behalf of themselves and other similarly situated applicants of the Grant Program 17 using Lendistry’s website. Id. The Complaint lists no exact amount in controversy. 18 Lendistry removed the action to this Court on November 27, 2024, under the jurisdiction of 19 the Class Action Fairness Act (“CAFA”). See Dkt. No. 1 (“NOR”). The Plaintiffs filed a Motion to 20 Remand on December 6, 2024. Dkt. No. 12. The Court granted that Motion on June 24, 2025. Dkt. 21 No. 47. 22 Plaintiffs filed the instant Motion for Attorneys’ Fees on August 22, 2025. Dkt. No. 52 23 (“Motion”). Lendistry filed its Opposition on September 5, 2025. Dkt. No. 53 (“Opp’n”). Plaintiffs 24 filed their Reply on September 12, 2025. Dkt. No. 54 (“Reply”). This Court heard oral argument on 25 the Motion on October 9, 2025. 26 / 27 / 28 1 II. Applicable Law 2 “Absent unusual circumstances, courts may award attorneys’ fees under 28 U.S.C. § 1447(c) 3 only where the removing party lacked an objectively reasonable basis² for seeking removal. 4 Conversely, when an objectively reasonable basis exists, fees should be denied.” *Martin v. Franklin 5 Capital Corp.*, 546 U.S. 132, 141 (2005). Fee awards are left to the discretion of the district court. Id. 6 Unusual circumstances may include “a plaintiff’s delay in seeking remand or failure to disclose facts 7 necessary to determine jurisdiction.” Id. 8 “[R]emoval is not objectively unreasonable solely because the removing party’s arguments 9 lack merit, or else attorney’s fees would always be awarded whenever remand is granted.” *Lussier v. 10 Dollar Tree Stores, Inc.*, 518 F.3d 1062, 1065 (9th Cir. 2008). “[W]hether the relevant case law 11 clearly

foreclosed the defendant's basis of removal" and "the clarity of the law at the time of 12 removal" may be considered in determining the removal's reasonableness. See *id.* at 1066. "Clear 13 factual distinctions" between the case in question and the cases that the parties cite as evidence are 14 also relevant. See *Grancare, LLC v. Thrower ex rel. Mills*, 889 F.3d 543, 552 (9th Cir. 2018). 15 III. Discussion 16 Lendistry argues that this Court should not reach the merits of whether Lendistry had an 17 objectionably reasonable basis for removal for two reasons. First, Lendistry argues that the Motion is 18 an improper motion for reconsideration of the remand order. Opp'n at 13-15. Second, Lendry argues 19 that the Motion is untimely. Opp'n at 16-17. This Court addresses both arguments before turning to 20 the merits. 21 A. Plaintiffs' Motion is not a motion for reconsideration. 22 Lendistry argues that this Court should deny the Motion as an improper motion for 23 reconsideration of the remand order. Opp'n at 13. In particular, Lendistry contends that since the 24 25 26 2 Plaintiffs state that the Ninth Circuit employs a "reasonable litigant" standard, which they suggest encompasses an assessment of more than the "objectively reasonable basis for removal" standard. Motion at 27 7. Plaintiffs cite *Gardner v. UICI*, 508 F.3d 559 (9th Cir. 2007), to support the "reasonable litigant" standard. However, *Gardner* only employs this language once and in close relation to the basis for removal; otherwise, 28 *Gardner* references the "objectively reasonable basis" standard from *Martin*. *Id.* at 562. Therefore, the Court 1 remand order did not address the request for fees that was included in Plaintiffs' Motion to Remand, 2 Dkt. No. 47, "the Court already declined Plaintiffs' . . . request for fees and costs." Opp'n at 13. It 3 further argues that this Court has considered and denied this request three times: in the Motion to 4 Remand, in Plaintiffs' Reply, Dkt. No. 22, and in their supplemental brief, Dkt. No. 44. Lendistry 5 therefore characterizes this motion as an impermissible request for "the Court to reconsider the same 6 request made three times prior." Opp'n at 14. 7 In the Ninth Circuit, district courts ruling on a motion for fees must specify the legal basis for 8 their conclusion.³ *Camacho v. Bridgeport Financial, Inc.*, 523 F.3d 973, 982-83 (9th Cir. 2008). 9 "Explicit mathematical calculations are not required, but without a clear explanation of what the 10 district court did, [the Court of Appeals] cannot review the award in a meaningful manner." *United 11 Steelworkers of Am. v. Phelps Dodge Corp.*, 896 F.2d 403, 406 (9th Cir. 1990). This Court does not 12 interpret the present Motion as one asking for reconsideration. This is because this Court has yet to 13 address Plaintiffs' requests for attorneys' fees. Had this Court intended to deny the request for fees 14 in the Motion to Remand, or at any other time, this Court would have done so expressly. 15 Lendistry's authority to the contrary is easily distinguished. Lendistry cites *Clemons v. 16 Mississippi*, 494 U.S. 738 (1990), for the idea that this case is analogous to the Supreme Court's 17 statement that it "implicitly rejected [a party's] arguments . . . by refusing to address them." *Id.* at 18 n.3. But the Supreme Court was referring to its decision not to engage with one of several arguments 19 made in favor of a motion—not to a motion impliedly denied through the Court's silence. It also 20 points to a nonbinding, unpublished case stating that "[t]he Court's refusal to discuss an argument 21 constitute[d] an implicit rejection of th[e] argument." *Roy v. Cnty. of Los*

Angeles, No. CV 12- 22 09012-AB (FFMx), 2018 WL 3439168, at *4 (C.D. Cal. July 11, 2018). But, again, that statement's context was meaningfully different. That Court, addressing a Motion for Reconsideration on the basis that the Court had not considered one of the arguments against summary judgment (which was ultimately granted), instructed the parties that, while it had considered every argument against the 3 Plaintiffs make a similar argument relying on *Houden v. Todd*, 348 F. App'x 221, 223 (9th Cir. 2009). The parties are reminded that, under Ninth Circuit Rule 36-3, unpublished dispositions do not hold precedential value. See *Houden*, 348 App'x at 221 ("This disposition is not appropriate for publication and is not precedent 1 summary judgment, it had not discussed every argument in its decision granting summary judgment. 2 Id. at *1, *4. That Court did not state that the parties should construe the Court's silence on a 3 pending motion as a refusal of the motion. Both cases reflect only the proposition that a court need 4 not recite and respond to every argument a party makes. Neither justifies the proposition that 5 Plaintiffs should have understood that, through this Court's lack of response to its Motion, the 6 Motion was denied. Nor is this Court aware of any binding or nonbinding precedent that a Court's 7 failure to address a properly brought motion should be taken as a rejection of the motion. 8 For these reasons, this Court declines to construe the Motion as one seeking to relitigate an 9 issue Plaintiffs have already lost. To put it simply, the Motion cannot be a motion for reconsideration 10 when this Court has not considered the request in the first place. 11 B. Plaintiffs' Motion is timely. 12 Lendistry next argues that Plaintiffs' Motion is untimely and that this Court should decline to 13 consider it on that basis. It argues that, if this Court treats Plaintiffs' Motion as a reconsideration 14 motion, it is untimely because it was not "filed no later than 14 days after entry of the Order that is 15 the subject of the motion or application." Local Rule 7-18; Opp'n at 16. Because "Plaintiffs filed the 16 present Motion more than eight weeks after the Remand Order," Lendistry argues that "the Motion 17 should also be denied on this independent basis." Id. As this Court has already explained that it will 18 not be treating this Motion as one for reconsideration, Lendistry's arguments on this theory are not 19 applicable. 20 This leaves Lendistry's arguments on the timeliness of this Motion as a motion for attorneys' 21 fees. The Federal Rules of Civil Procedure generally require movants for attorneys' fees and costs to 22 make their motion "no later than 14 days after the entry of judgment." Fed. R. Civ. P. 54(d)(2). And 23 the Local Rules generally also require that "[a]ny motion or application for attorneys' fees [] be 24 served and filed within fourteen (14) days after the entry of judgment or other final order." Local 25 Rule 54-7. Lendistry argues that, regardless of which Rules govern, Plaintiffs' motion is untimely 26 and should be stricken. Opp'n at 16-17. 27 28 1 As a general matter, Plaintiffs first made its requests for attorneys' fees in its Motion to 2 Remand, on December 6, 2024. Because this was made well before fourteen days had passed after 3 final judgment—when the Court ultimately granted remand on June 24, 2025—the request for fees 4 was timely under both the federal and the local framework, if either controlled the Motion's 5 timeliness requirements. 6 But the Motion is also not untimely because this Court's Civil Standing Order modifies the 7 parties' deadlines. Both the

Federal and Local Rules contemplate that a court's individual order 8 overrides the default timelines for filing a motion for fees. Fed. R. Civ. P. 54(d)(2) (noting the rule 9 applies "unless a statute or court order provides otherwise"); Local Rule 54-7 (same). And this 10 Court's operative Civil Standing Order, § IX.E, establishes this Court's own set of timeline 11 requirements for the filing of a fees motion. Key among these requirements is that, prior to filing a 12 motion, the parties are instructed to meet and confer in good faith, provide to opposing counsel the 13 billing records that substantiate the motion, and produce and confer on a Joint Statement on an 14 itemization of fees. Id. And, "no more than 14 days before the filing of the motion, the moving party 15 must provide to the opposing party" a final version of its Joint Statement on an itemization of fees. 16 The parties were instructed to abide by this Court's Civil Standing Order, Dkt. No. 13, and warned 17 that it "differs in some respects from the Local Rules," Civil Standing Order at 1. These are the 18 standards by which this Court considers timeliness; they modify the otherwise-applicable Federal 19 and Local Rules requirements. Lendistry has made no arguments in support of the idea that 20 Plaintiffs' Motion is out of compliance with this Court's Civil Standing Order, nor is this court 21 aware of such untimeliness. For these reasons, this Court finds that the Motion was timely filed. 22 C. Lendistry had no objectively reasonable basis for removal. 23 At issue next is whether Lendistry had an objectively reasonable basis for removal; if it did 24 not, Plaintiffs are entitled to recover attorneys' fees under § 1147(c). For the reasons below, this 25 Court finds Lendistry had no objectively reasonable basis for removal. 26 The removing party bears the burden of providing evidence to support its minimal diversity 27 allegations when the requirement is in contention. *NewGen, LLC v. Safe Cig, LLC*, 840 F.3d 606, 28 1 613-14 (9th Cir. 2016) ("The party seeking to invoke the district court's diversity jurisdiction always 2 bears the burden of both pleading and proving diversity jurisdiction . . . at the pleading stage, 3 allegations of jurisdictional fact need not be proven unless challenged"); *DaimlerChrysler Corp. v. 4 Cuno*, 547 U.S. 332, 342 n.3 (2006) ("[B]ecause we presume that federal courts lack jurisdiction 5 unless the contrary appears affirmatively from the record, the party asserting federal jurisdiction 6 when it is challenged has the burden of establishing it"). 7 Here, the core question is whether Lendistry had an objectionably reasonable basis for 8 removal to federal court. In briefing for the Motion to Remand, Lendistry argued that minimum 9 diversity necessarily existed using the class definition that Plaintiffs offered in their Complaint. Dkt.

10 No. 47 at 7. It notes that, as the class definition includes all persons or businesses "in California"

11 who applied for the grant, it necessarily includes people who applied and were in California but are 12 not citizens of California. Id. Lendistry, as the party seeking a contested removal, had the burden to 13 show that removal was proper by a preponderance of the evidence. CITE. But Lendistry put forth no 14 other facts alleging any class member's citizenship to prove that at least one diverse class member 15 existed.⁴ 16 This Court granted Plaintiffs' motion to remand. Dkt. No. 47. It found that Lendistry had 17 "failed to show that there is minimum diversity by a

preponderance of the evidence.” Id. at 7. 18 Though the Complaint referred to the class definition as persons or businesses “in California,” it also 19 stated that “Plaintiffs, all putative class members, and Defendant itself are citizens of [California].” 20 Compl. ¶ 4. Lendistry cited then (and cites now) authorities supporting the proposition that a class 21 definition can suffice to create diversity for removal purposes. See, e.g., *Broadway Grill, Inc. v. Visa* 22 23 4 Although Lendistry references *Ehrman v. Cox Commc’ns, Inc.*, 932 F.3d 1223 (9th Cir. 2019), which states that “a short and plain statement of the parties’ citizenships based on information and belief... satisfie[s] [the 24 defendant’s] burden of pleading minimal diversity,” this only applies if “[t]he defendant’s citizenship 25 allegations are unchallenged.” Id. at 1225 (emphasis added). Here, Plaintiffs have been alleging that there was no minimal diversity from the time of the Complaint’s filing—in effect, before Lendistry attempted to 26 remove. Lendistry also cites *Brinkley v. Monterey Fin. Servs. Inc.*, 873 F.3d 1118, 1122 (9th Cir. 2017) and *Mondragon v. Capital One Auto Fin.*, 736 F.3d 880, 884 (9th Cir. 2013) to argue that Plaintiffs hold the 27 burden of producing citizenship evidence. But these cases concern exceptions to CAFA that the non-removing parties attempted to invoke—a posture not seen here. They do not advise on a removing party’s contention 28 that CAFA applies. And, as already discussed, a moving party must prove its allegations of jurisdictional fact 1 Inc., 856 F.3d 1274, 1276 (9th Cir. 2017) (finding a class definition of “all California . . . entities 2 who accepted Visa branded cards in California” included non-California citizens). But those cases 3 are inapposite: They do not address a situation where, as here, a theory of diversity jurisdiction 4 depends on accepting one part and disregarding another part of the Complaint. Moreover, even the 5 proposed class definition itself makes no positions on the citizenship of its members. As the Ninth 6 Circuit has put it: We acknowledge that our holding may result in some degree of inefficiency by 7 requiring evidentiary proof of propositions that appear likely on their face. The 8 inference drawn by the district court in this case was understandable. It is likely that most of the prospective class members—we would guess more than two-thirds of 9 them—were California citizens at the time the lawsuit was filed. But it is also likely that some of them were not. . . . That a purchaser may have a residential address in 10 California does not mean that person is a citizen of California. 11 *Mondragon v. Cap. One Auto Fin.*, 736 F.3d 880, 884 (9th Cir. 2013). Because of this, this Court 12 “[f]ound] Lendistry’s argument that the Plaintiffs’ class definition necessarily includes non- 13 Californians unavailing and not founded on the Complaint.” Dkt. No. 47 at 7. 14 For similar reasons, this Court finds that there is no objectively reasonable basis to take part 15 of the Complaint—the class definition—as per se basis to remove to federal court, while wholly 16 disregarding another part of the Complaint—the Jurisdiction and Venue section—as an authority on 17 whether the class was made up exclusively of California residents. There is no basis, in short, to 18 accept part of the Complaint and reject the other in making allegations of minimal diversity. 19 Lendistry argues that jurisdictional data provided to Plaintiffs in June 2025 should be 20 considered in this Court’s determination of whether removal was objectively reasonable. Opp’n at 26 21 (“[A]ll elements for

CAFA jurisdiction were met . . . Plaintiffs have had this information since June 22 2025”). This Court declines to consider data presented only in 2025 to determine, post hoc, whether the decision to remove in 2024 was objectively reasonable at the time that it was made. To do so would be to misapply the Ninth Circuit’s direction that the touchstone inquiry is whether “the removing party lacked an objectively reasonable basis for seeking removal.” *Martin*, 546 U.S. at 26 27 28 1 141. Put another way, this Court understands the *Martin* test as one that considers what the parties knew and alleged at the time of removal to contextualize whether the decision was reasonable.^{5 3} And Lendistry proffered no reasonable basis for removal in its opposition to Plaintiffs’ 4 Motion to Remand. It only alleged that “Plaintiff’s class action is determinative” of minimal 5 diversity, and to the extent the Complaint contained allegations that “conflict with the putative class 6 definition,” this Court should disregard them. But, though the Jurisdiction and Venue section of 7 Plaintiffs’ Complaint certainly limited allegations like that of the putative class definition, it did not 8 contradict the class definition; it only narrowed the putative class to those who were citizens of 9 California. And Lendistry cited no authority for the proposition that this Court should simply 10 disregard a pleading to the extent it constrains another, nor did it suggest any other factual or 11 reasonable basis for its removal. 12 D. Plaintiffs are entitled to recover some of their listed attorneys’ fees. 13 Once a court has determined that a party is entitled to attorneys’ fees, it must verify that the 14 fees are reasonable. To do so, Ninth Circuit courts apply the lodestar method. *Camacho*, 523 F.3d at 15 973. “The ‘lodestar’ is calculated by multiplying the number of hours the prevailing party reasonably 16 expended on the litigation by a reasonable hourly rate.” *Id.* (quoting *Ferland v. Conrad Credit Corp.*, 17 244 F.3d 1145, 1147-48 (9th Cir. 2001)). Courts must then determine if the result of that calculation 18 is reasonable: “Although in most cases, the lodestar figure is presumptively a reasonable fee award, 19 the district court may, if circumstances warrant, adjust the lodestar to account for other factors which 20 21 22 5 Plaintiffs argue—as an additional ground for finding that attorneys’ fees should be awarded on the basis of improper removal—that it was objectively unreasonable for Lendistry to fail to review the jurisdictional data 23 in its own possession before seeking to remove. Motion at 13-14. But the law is settled that even if the defendant has access to information that might show a case is removable, or could uncover such information 24 through an investigation, the defendant is not obligated to remove within thirty days of service unless the 25 ground for removal is obvious on the face of the complaint. See *Harris v. Bankers Life & Cas. Co.*, 425 F.3d 689, 695-96 (9th Cir. 2005) (emphasis added) (even when the defendant’s files contained the citizenship of 26 relevant parties and showed complete diversity, the defendant was not obligated to remove within thirty days if the complaint did not affirmatively allege complete diversity). Moreover, as defendants do not have an 27 affirmative duty to investigate jurisdictional data prior to removal, this Court is not inclined to rule that a failure to timely investigate, even if true, is proper basis for Plaintiffs to recover fees. For these reasons, the 28 Court declines to also consider whether the failure to do its own investigation prior to removal was 1 are not subsumed within it.” *Ferland*, 244 F.3d at 1149

n.4. “A district court may not rely on a 2 contingency agreement to increase or decrease what it determines to be a reasonable attorneys’ fee.” 3 *Van Gerwen v. Guarantee Mut. Life Co.*, 214 F.3d 1041, 1048 (9th Cir. 2000). Accordingly, the 4 Court considers Plaintiffs’ alleged hourly rate and number of hours below. 5 i. Plaintiffs’ counsel charged a reasonable hourly rate. 6 For the reasons below, this Court finds that Plaintiffs have sufficiently established the 7 reasonableness of their attorney’s hourly rate. 8 “To inform and assist the court in the exercise of its discretion, the burden is on the fee 9 applicant to produce satisfactory evidence—in addition to the attorney’s own affidavits—that the 10 requested rates are in line with those prevailing in the community for similar services by lawyers of 11 reasonably comparable skill, experience and reputation.” *Blum v. Stenson*, 465 U.S. 886, 895 n.11 12

(1984). “Affidavits of the plaintiffs’ attorney[s] and other attorneys regarding prevailing fees in the 13 community, and rate determinations in their cases . . . are satisfactory evidence of the prevailing 14 market rate.” *United Steelworkers of Am.*, 896 F.2d at 407. The party opposing the request, in turn, 15 “has a burden of rebuttal that requires submission of evidence to the district court challenging the 16 accuracy and reasonableness” of the movant’s submitted facts. *Gates v. Deukmejian*, 987 F.2d 1392, 17 1397-98 (9th Cir. 1992). 18 Plaintiffs’ Motion requests this Court to approve a rate of \$850/hour for Plaintiffs’ sole 19 counsel, J.R. Howell. Motion at 6. Howell represents that, though he accepted this case on a 20 contingency basis, \$850 is reflective of the rate he charges his hourly clients. Decl. of J.R. Howell ¶ 21 19 (“Howell Decl.”), Dkt. No. 52-3; see also Exh. C, Dkt. No. 52-6 (Howell’s representation 22 agreement in another Los Angeles litigation case, representing an hourly rate of \$850). In support of 23 this hourly rate, he offers the 2023 Wolters Kluwer Real Rate Report, which indicates the quartiles 24 of attorneys’ fees based on location and experiences, Exh. A, Dkt. No. 52-5; a representation 25 agreement with another hourly client, Exh. C., Dkt. No. 52-6; and billing records for the tasks for 26 which counsel seeks fees, Exh. D, Dkt. No. 52-7. The latter demonstrates that the activity for which 27 28 1 Plaintiffs seek attorneys’ fees began in November 2024 and continued until July 2025. *Id.* at 1, 25. It 2 also shows that counsel seeks reimbursement for paralegal hours at the rate of \$250 per hour. 3 This Court finds that Plaintiffs have met their initial burden of production on demonstrating 4 the reasonableness of both rates. Plaintiffs’ counsel has represented that he is in his nineteenth year 5 of practice, that he has been recognized as an expert on matters involving privacy law relevant to this 6 case, and that his professional affiliations and activities bolster his expertise. Howell Decl. ¶¶ 13-18. 7 Plaintiffs also note that another judge in this District has recently approved a rate of \$750 per hour 8 for an attorney with nine fewer years of experience. Motion at 22 (citing *Moran v. ESOP Comm. of 9 Aluminum Precision Prods, Inc. Emp. Stock Ownership Plan*, No. 24-cv-00642-MWF (ADSx), 2025 10 WL 1712397 (C.D. Cal. June 2, 2025)). They note, too, that Lendistry’s own counsel has cited his 11 own rate in 2024 for this matter as \$880 per hour (and that this is reduced relative to his usual, 12 unstated rate). Decl. of J. Jeventhal ¶ 2, Dkt. No. 15-1. Moreover, this Court’s review of Plaintiffs’ 13 demonstration of prevailing community rates shows

that an \$850 hourly rate appears reasonable: In 14 2023, the median partner in Los Angeles with fewer than twenty-one years of experience charged a 15 \$747 hourly fee; the third-quartile amount was \$1,102 per hour. Exh. D, Dkt. No. 52-7, at 7. 16 Plaintiffs' counsel is an attorney with nineteen years of experience, so this—in conjunction with his 17 other relevant expertise—suffices to establish that \$850 is a reasonable amount for legal work he 18 performed in 2024 and 2025. 19 Moreover, this Court finds that Lendistry has not carried its burden of rebuttal with evidence 20 “challenging the accuracy and reasonableness” of Plaintiffs' counsel's fees. *Gates*, 987 F.2d at 1398. 21 While they note that Plaintiffs have not provided other affidavits of other attorneys, they cite no 22 authority—and this Court is not aware of any—requiring that the reasonableness of fees be proved 23 through other attorneys' declarations. Instead, this Court finds that Plaintiffs' counsel's mode of 24 proof—citing other fee determinations, national data accounting for location and experience of 25 counsel, and their own hourly fee standard practice—suffices. Lendistry relatedly argues that 26 Plaintiffs' counsel has not “identif[ied] any other privacy cases in which he has acted as counsel” 27 and has identified “no evidence that he has specific expertise (much less experience)” in similar 28 cases. Opp'n at 29. The Court has already found that Plaintiffs' counsel submitted proof of subject- 1 matter experience in privacy law, and Lendistry does not engage with Plaintiffs' specific proof to 2 demonstrate it is inaccurate or unreasonable.⁶ Lastly, Lendistry argues that Plaintiffs' counsel's 3 appropriate rate is \$550, on the basis of a declaration by the same counsel claiming that \$550 was his 4 hourly rate in another class-action case. Opp'n at 30. But counsel represents that he has recently 5 increased his fees to account for increased demand and experience. Reply at 10. Because this Court 6 has already determined that \$850 is reasonable and aligned with counsel's location and experience, it 7 sees no reason to use a previous hourly rate—set in 2020—to apply to work mostly done in 2025. 8 Also included in the request for fees are paralegal hours, billed at the rate of \$250 per hour. 9 Plaintiffs substantiate this rate with the same 2023 fees report, which notes that, on a national level, 10 the median paralegal billed at \$235 per hour. Dkt. No. 52-7 at 4. While Plaintiffs have not offered 11 evidence in support of their paralegal's experience and subject-matter expertise, this Court finds that 12 these national estimates, coupled with the demonstrable increase in legal fees in Los Angeles relative 13 to the national average, suffice to demonstrate that \$250 is a reasonable hourly fee for a Los Angeles 14 paralegal in 2025. Though Lendistry does not challenge the reasonableness of this rate in their 15 Opposition, they note in the Joint Statement, in reference to the paralegal hours sought, that 16 “Counsel's hourly rate is excessive.” Dkt. No. 52-2 (“Joint Statement”) at 90. This appears to be a 17 form objection raised for every entry in the Joint Statement; Lendistry does not specifically object to 18 non-counsel rates. Moreover, Lendistry has offered no evidence on the accuracy or reasonableness 19 of the fees, or proposed what they believe a reasonable figure would be. Based on that, this Court 20 finds that it is reasonable to accept Plaintiffs' proposed \$250/hour number. 21 22 23 6 Lendistry argues that this Court should not give Plaintiffs' counsel full credit for nineteen years of experience, noting that Plaintiffs'

counsel has not appeared in a large amount of cases available on Westlaw. 24 Opp’n at 29. But, as Plaintiffs’ counsel notes, not all legal representations are matters of public record, so 25 Westlaw appearances are not a strong measure of an attorney’s expertise. See Exh. D, Dkt. No. 53-4 (“In matters that are not of public record, I have represented high-profile public figures in national politics, 26 religion, and entertainment . . .”). They also suggest that Plaintiffs’ counsel “appears to have a separate career as an actor, director, and producer.” Opp’n at 29-30. In support, they offer an iMDB.com listing 27 showing that counsel has produced six short films between 2014 and 2019. Decl. of Sebastian van Roundsburg ¶ 7, Dkt. No. 53-1. He also appears listed as a director and a writer for some of those short films. 28 Exh. C, Dkt. No. 53-4. This Court does not find the argument that these experiences negate or override 1 In short, because Plaintiffs have met their initial burden to demonstrate the accuracy and 2 reasonability of their requested fee amounts, and Lendistry has not met its burden to rebut that 3 evidence, this Court finds that \$850/hour for counsel and \$250/hour for paralegal labor on this case 4 is reasonable. 5 ii. Plaintiffs are entitled to recover some of their alleged costs. 6 Lendistry next argues that, even if this Court finds that the grant of attorneys’ fees is proper, 7 Plaintiffs’ claimed number of hours is unreasonable. In their Motion, Plaintiffs request that this 8 Court award Plaintiffs \$240,642.50—a sum based on 17.2 paralegal hours and 278.05 attorney 9 hours. Motion ¶ 4. Lendistry asks this Court to reduce the hours calculation based on claimed hours 10 that are “unreasonable because they were self-imposed, unnecessary, and avoidable.” Opp’n at 30. 11 For the reasons below, this Court finds that Plaintiffs are entitled to some, but not all, of their 12 requests for fees in connection to the Motion to Remand. 13 Trial courts have “wide discretion” to calculate reasonable fees awards under § 1447(c). 14 Moore v. Permanente Med. Grp., Inc., 981 F.2d 443, 447 (9th Cir. 1992); Gotro v. R&B Realty Grp., 15 69 F.3d 1485, 1488 (9th Cir. 1995). A showing of bad faith is not required for a district court to 16 grant fees. Id. 17 Lendistry cites a series of district court cases in this Circuit for the proposition that this Court 18 should act to bring the fees award in this case in line with Circuit precedent. See Opp’n at 31-32 19 (collecting cases). While this Court has carefully considered the parties’ arguments, it is not bound 20 by decisions made by other trial courts in this District. This Court does note with concern, however, 21 that Plaintiffs’ request of \$240,000 appears high in proportion to the underlying Motion to Remand. 22 Accordingly, it will reduce the number of hours on which it orders Lendistry to pay fees. 23 Based on a careful review of the parties’ arguments, objections, and the Joint Statement, this 24 Court calculates the attorneys’ fees to which Plaintiffs are entitled as \$26,520. This accounts for 31.2 25 hours of attorney work and no hours of paralegal work in relation to the Motion to Remand. 26 In particular, this Court did not grant fees where the requests appeared to be unrelated to the 27 Motion to Remand, do not appear to have been necessary to prevail on the Motion to Remand, or 28 1 | where billing entries were vague and appeared to match prior entries without a clear explanation of 2 | what new work was done. Moreover, this Court was not inclined to grant requested recovery where 3 || it related to unsuccessful efforts to compel jurisdictional discovery.’ See Dkt. No. 40 at 1 (Magistrate 4 | Judge

Kim finding that “Plaintiffs ha[d] not convincingly shown why more information [was] 5 || needed . . . before the motion for remand c[ould] be decided”). This Court believes that this 6 | calculation fairly strikes the balance between “the desire to deter removals sought for the purpose of 7 || prolonging litigation and imposing costs on the opposing party” and “not undermining Congress’s 8 || basic decision to afford defendants a right to remove . . . when the statutory criteria are satisfied.” 9 || Martin, 546 U.S. at 140. 10 IV. Conclusion 11 For the foregoing reasons, the Court hereby ORDERS as follows: 12 1. Plaintiffs’ Motion for Attorneys’ Fees is GRANTED in part; 13 2. Plaintiffs are hereby awarded fees in the amount of \$26,520. 14 IT IS SO ORDERED. 15 16 | Dated: October 27, 2025 Af

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18 United States District Judge 19 20 21 22 23 24 25 26 At the October 7 hearing, counsel for Lendistry argued that this Court should not award attorneys’ fees to 328 || Plaintiffs based on unsuccessful efforts to compel jurisdictional discovery. This Court has already declined to award fees for that basis.