

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

CHING CHING CHENG,

Plaintiff,

v.

ERASCA, INC., et al.,

Defendants.

Case No.: 26-cv-03481-AJB-JLB

**ORDER GRANTING MOTION OF
WILLIAM AND MARIA
THORNHILL FOR APPOINTMENT
AS LEAD PLAINTIFFS AND
APPROVAL OF LEAD COUNSEL
AND DENYING MOTION OF
DAVID YOUNGLOVE FOR
APPOINTMENT AS LEAD
PLAINTIFF AND APPROVAL OF
HIS CHOICE OF LEAD COUNSEL**

(Doc. Nos. 11; 12)

Before the Court are (1) the Motion of William and Maria Thornhill for Appointment as Lead Plaintiffs and Approval of Lead Counsel (Doc. No. 11) and (2) the Motion of David Younglove for Appointment as Lead Plaintiff and Approval of his Choice of Lead Counsel (Doc. No. 12). The motions are fully briefed. (Doc. Nos. 11; 12; 17; 19; 20.) Pursuant to Civil Local Rule 7.1.d.1., the Court finds these matters suitable for disposition without oral argument.

The Court **GRANTS** the Motion of William and Maria Thornhill and **DENIES** the Motion of David Younglove for the following reasons.

I. BACKGROUND

On June 10, 2026, Plaintiff Ching Ching Cheng (“Cheng”), represented by Block & Leviton LLP, initiated this putative securities fraud class action. (Doc. No. 1 ¶ 1.) This action is brought

on behalf of a class of all persons and entities who purchased or otherwise acquired Erasca common stock from January 14, 2025 through April 26, 2026, inclusive. Excluded from the Class are Defendants and their families, the officers and directors of the Company, at all relevant times, members of their immediate families, and their legal representatives, heirs, successors or assigns and any entity in which defendants have or had a controlling interest.

(*Id.* ¶ 47.)

On August 10, 2026, William and Maria Thornhill (the “Thornhills”), represented by Block & Leviton LLP, moved to be appointed as lead plaintiffs pursuant to the Private Securities Litigation Reform Act of 1995 (the “PSLRA”), 15 U.S.C. § 78u-4(a)(3)(B), and for the Court’s approval of Block & Leviton as lead counsel. (Doc. No. 11 at 2.)

On the same day, David Younglove (“Younglove”), represented by Bernstein Liebhard LLP and Bragar Eigel & Squire, P.C., also moved to be appointed as lead plaintiff and for the Court’s approval of Bernstein Liebhard LLP as lead counsel and Bragar Eigel & Squire, P.C. as liaison counsel. (Doc. No. 12 at 2.)

II. LEGAL STANDARD

The PSLRA requires that a district court “appoint as lead plaintiff the member or members of the purported plaintiff class that the court determines to be most capable of adequately representing the interests of class members.” 15 U.S.C. § 78u-4(a)(3)(B)(i). In determining which member or members are most capable of representing the interests of class members, a district court “shall adopt a presumption that the most adequate plaintiff” is the person or group that (a) has either filed the complaint or moved for appointment as lead plaintiff, (b) “has the largest financial interest in the relief sought by the class,” and (c) otherwise satisfies the requirements of Federal Rule of civil Procedure 23. *Id.* § 78u-4(a)(3)(B)(iii)(I)(aa)–(cc).

1 There is a three-step process to determine the most appropriate lead plaintiff under
2 the PSLRA. *In re Cavanaugh*, 306 F.3d 726, 729–30 (9th Cir. 2002). First, the plaintiff
3 that files a complaint must publicize the action in a “widely circulated national business-
4 oriented publication or wire service” within 20 days of filing the complaint. 15 U.S.C.
5 § 78u-4(a)(3)(A)(i). Second, the district court determines the presumptive lead plaintiff by
6 assessing the financial losses suffered by those seeking appointment as the lead plaintiff.
7 *Cavanaugh*, 306 F.3d at 730.

8 In other words, the district court must compare the financial stakes of the
9 various plaintiffs and determine which one has the most to gain from the
10 lawsuit. It must then focus its attention on *that* plaintiff and determine, based
11 on the information he has provided in his pleadings and declarations, whether
12 he satisfies the requirements of Rule 23(a), in particular those of “typicality”
and “adequacy.”

13 *Id.* If the plaintiff with the “largest financial stake in the controversy provides information
14 that satisfies these requirements,” that plaintiff becomes the “presumptively most adequate
15 plaintiff.” *Id.* Third, the district court will provide other moving plaintiffs the “opportunity
16 to rebut the presumptive lead plaintiff’s showing that it satisfies Rule 23’s typicality and
17 adequacy requirements.” *Id.* (citing 15 U.S.C. § 78u-4(a)(3)(B)(iii)(II)).

18 Following the appointment of a lead plaintiff, the PSLRA provides that the “most
19 adequate plaintiff shall, subject to the approval of the court, select and retain counsel to
20 represent the class.” 15 U.S.C. § 78u-4(a)(3)(B)(v).

21 **III. DISCUSSION**

22 **A. Motions to Appoint Lead Plaintiff(s)**

23 Cheng did not file a motion to be appointed as lead plaintiff. Instead, on August 10,
24 2026, his counsel filed a motion to appoint the Thornhills as lead plaintiffs. (Doc. No. 11.)
25 The Thornhills ask to be appointed as lead plaintiffs because they have lost approximately
26 \$309,115.36, which the Thornhills believe is the largest financial loss related to
27 transactions of Defendant Erasca, Inc.’s common stock. (Doc. No. 11-1 at 2.) The
28 Thornhills additionally contend that they satisfy Rule 23’s typicality and adequacy

1 requirements “because their claims are typical of all members of the class and because they
2 will fairly and adequately represent the class.” (*Id.* at 2–3.)

3 On the same day, Younglove filed a competing motion to be appointed as lead
4 plaintiff based on his financial loss of \$22,848. (Doc. No 12-1 at 1.) However, Younglove
5 subsequently filed a non-opposition to the Thornhills’ motion because he “appears to lack
6 the largest financial interest of the lead plaintiff movants.” (Doc. No. 19.) He notes that he
7 is “ready, willing, and able to serve as lead plaintiff” if the Thornhills are unable to serve
8 as lead plaintiffs. (*Id.*)

9 **1. Procedural Requirements**

10 Pursuant to 15 U.S.C. § 78u-4(a)(3)(A)(i)(I), a plaintiff must cause a notice of the
11 lawsuit to be published that notifies members of the class about the action, the asserted
12 claims, and the purported class period. The notice must also notify class members that they
13 may move to serve as lead plaintiff within 60 days of the publication of the notice. 15
14 U.S.C. § 78u-4(a)(3)(A)(i)(II).

15 Cheng initiated this action on June 10, 2026. (Doc. No. 1.) On the same day, Cheng’s
16 counsel Block & Leviton LLP caused a notice of the lawsuit to be published in the Globe
17 Newswire. (Doc. No. 11-3.) The notice explained the suit’s allegations. (*Id.*) The notice
18 also informed class members that they may seek appointment as lead plaintiff by filing an
19 appropriate motion no later than August 10, 2026. (*Id.*)¹

20 Under these circumstances, Cheng complied with 15 U.S.C. § 78u-4(a)(3)(A)(i)’s
21 notice requirements. The Thornhills and Younglove also complied with the August 10,
22 2026 motion deadline. (Doc. Nos. 11; 12.) The Court accordingly finds that the PSLRA’s
23 procedural requirements are satisfied.

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27 ¹ Sunday, August 9, 2026, is the date 60 days after June 10, 2026. Because this date falls on the
28 weekend, the deadline rolls forward to the next day that is not a weekend or legal holiday: Monday, August
10, 2026. Fed. R. Civ. P. 6(a)(1)(C).

2. Financial Interest

District courts consider the *Olsten-Lax* factors to assess which movants have the largest financial interest in a securities class action: “(1) the number of shares purchased during the class period; (2) the number of net shares purchased during the class period; (3) the total net funds expended during the class period; and (4) the approximate losses suffered.” *In re Olsten Corp. Sec. Litig.*, 3 F. Supp. 2d 286, 295 (E.D.N.Y. 1998) (citing *Lax v. First Merchants Acceptance Corp.*, No. 97-C-2715, 1997 WL 461036, at *5 (N.D. Ill. Aug. 11, 1997)). The approximate losses suffered are the “most determinative in identifying the plaintiff with the largest financial loss.” *Richardson v. TVIA, Inc.*, No. C-06-06304-RMW, 2007 WL 1129344, at *4 (N.D. Cal. Apr. 16, 2007) (citations omitted).

The Thornhills indicate that they have the largest financial interest—approximately \$309,115.36—in this action. (Doc. No. 11-1 at 7.) No other party has come forward with a larger financial interest. (*See, e.g.*, Doc. No. 12-1 at 2 (identifying a loss of \$22,848).) Upon learning of the Thornhills’ larger financial interest, Younglove does not oppose the Thornhills’ appointment as lead plaintiffs. (Doc. No. 19.)

The Court thus finds that the Thornhills have the largest financial stake in this controversy.

3. Rule 23 Requirements

Pursuant to Rule 23(a), a representative party may sue on behalf of all members of a class only if:

- (1) the class is so numerous that joinder of all members is impracticable;
- (2) there are questions of law or fact common to the class;
- (3) the claims or defenses of the representative parties are typical of the claims or defenses of the class; and
- (4) the representative parties will fairly and adequately protect the interests of the class.

“The Rule’s four requirements—numerosity, commonality, typicality, and adequate representation—effectively limit the class claims to those fairly encompassed by the named plaintiffs’ claims.” *Wal-Mart Stores, Inc. v. Dukes*, 564 U.S. 338, 349 (2011) (citation

1 omitted; cleaned up). In appointing a lead plaintiff in a PSLRA action, courts focus on the
2 typicality and adequacy requirements. *Cavanaugh*, 306 F.3d at 730.

3 Typicality requires that courts consider “whether other members [of the class] have
4 the same or similar injury [as the lead plaintiff], whether the action is based on conduct
5 which is not unique to the [lead plaintiff], and whether other class members have been
6 injured by the same course of conduct.” *Hanon v. Dataproducts Corp.*, 976 F.2d 497, 508
7 (9th Cir. 1992) (quoting *Schwartz v. Harp*, 108 F.R.D. 279, 282 (C.D. Cal. 1985)). “The
8 purpose of the typicality requirement is to assure that the interest of the named
9 representative aligns with the interests of the class.” *Hanon*, 976 F.2d at 508 (citation
10 omitted).

11 The Thornhills contend that their claims are typical of the other class members’
12 because they “purchased Erasca stock during the Class Period at allegedly inflated prices
13 and suffered damages when Defendants’ alleged misconduct came to light.” (Doc. No.
14 11-1 at 8.) Courts have found this sufficient to establish typicality under Rule 23(a). *See*,
15 *e.g.*, *Foster v. Maxwell Techs., Inc.*, No. 13-cv-00580-BEN-RBB, 2013 WL 5780424, at
16 *5 (S.D. Cal. Oct. 24, 2013).

17 Adequacy requires that courts consider whether a lead plaintiff has any “conflicts of
18 interest with other class members” and whether counsel and the lead plaintiff will
19 “prosecute the action vigorously on behalf of the class[.]” *In re Mersho*, 6 F.4th 891,
20 899–900 (9th Cir. 2021) (quotation omitted).

21 There is no evidence that the Thornhills have any conflict of interest with the other
22 members of the class. The Thornhills indicate that they are not aware of any conflicts of
23 interest. (Doc. No. 11-1 at 8.) Younglove’s non-opposition to the Thornhills’ motion also
24 indicates that the class members are not aware of any conflicts of interest. (*See* Doc. No.
25 12.) Furthermore, the Thornhills have both declared that they did not purchase their shares
26 in Erasca, Inc. at their counsel’s direction or to participate in a lawsuit. (Doc. No. 11-4 at
27 2, 4.)

28 * * *

1 In light of the foregoing, the Court finds that the Thornhills are the “presumptively
2 most adequate plaintiff[s].” *Cavanaugh*, 306 F.3d at 729–30. No party has offered any
3 evidence to rebut this presumption. The Court accordingly **GRANTS** the Thornhills’
4 motion to be appointed lead plaintiffs. (Doc. No. 11.)

5 **B. Motion to Appoint Lead Counsel**

6 “[I]f the lead plaintiff has made a reasonable choice of counsel, the district court
7 should generally defer to that choice.” *Cohen v. U.S. Dist. Ct. for N. Dist. of California*,
8 586 F.3d 703, 712 (9th Cir. 2009).

9 The Thornhills are represented by Block & Leviton LLP and seek the Court’s
10 approval of Block & Leviton LLP as Lead Counsel. (Doc. No. 11-1 at 8–10.) In support of
11 their request, the Thornhills have submitted a copy of the firm’s resume. (Doc. No. 11-7).
12 Based on the Court’s review of Block & Leviton LLP’s resume, the Court is satisfied the
13 Thornhills’ selection of Block & Leviton LLP as lead counsel is appropriate. The Court
14 accordingly **GRANTS** the Thornhills’ request for the Court to approve Block & Leviton
15 LLP as lead counsel. (Doc. No. 11-1 at 8–10.)

16 **IV. CONCLUSION**

17 For the foregoing reasons, the Motion of William and Maria Thornhill for
18 Appointment as Lead Plaintiffs and Approval of Lead Counsel is **GRANTED**. (Doc. No.
19 11.) The Motion of David Younglove for Appointment as Lead Plaintiff and Approval of
20 his Choice of Lead Counsel is **DENIED** as moot. (Doc. No. 12.)

21 It is further **ORDERED** that all filings in this action shall bear the following caption:

22 IN RE ERASCA, INC. CLASS ACTION
23 SECURITIES LITIGATION

Case No.: 26-cv-03481-AJB-JLB

24 On or before **November 3, 2026**, the Thornhills must file an amended complaint.

25 **IT IS SO ORDERED.**

26 Dated: October 20, 2026

27 
28 Hon. Anthony J. Battaglia
United States District Judge