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\$1.3 BILLION SETTLEMENT REACHED IN TOYOTA ACCELERATION CASE



Frank Pitre and his CPM team of Chris Lavorato, Ryan Manuel and Oni Szeto are Co-Lead Counsel in the class action against Toyota Motor Corporation and its U.S. sales and marketing arms, Toyota Motor Sales, U.S.A. Toyota Motor Corp. has agreed to pay more than **\$1.3 billion** to settle multi-district litigation over financial losses associated with acceleration problems reported in some Toyota and Lexus vehicles. U.S. District Judge James V. Selna appointed CPM as Co-Lead Counsel for the Commercial Class Claimants in the Toyota lawsuits. Under the settlement, Toyota will pay class members for economic losses suffered because they sold or traded in a vehicle during a period when the car's value diminished. Toyota agreed to provide installation of brake override systems for many Toyota and Lexus models and agreed to establish a \$250 million fund in lieu of the installation.



CPM 在萨克拉门托, 旧金山, 洛杉矶, 纽约和华盛顿 特区设有办事处

LIBOR INTEREST RATE MANIPULATION COMPLAINTS FILED FOR CALIFORNIA PUBLIC ENTITIES



Nanci Nishimura and her team including Daniel Sterrett, Steve Williams and others, recently filed individual complaints on behalf of California cities, counties, and related public entities alleging the public entities suffered financial damages when the interest rates their investments were set to were manipulated by the banks that set the global benchmark rate known as the London Interbank Offered Rate, or "LIBOR". To date, CPM have filed several lawsuits for public entities in Federal Courts against more than twenty current and former financial institutions that set LIBOR, including Bank of America, UBS, Barclays, JP Morgan and Citigroup.



COURT ORDERS BP SECURITIES LAWSUIT TO MOVE FORWARD ON GULF OF MEXICO LOSS



The U.S. District Court for the Southern District of Texas issued a ruling in the BP Securities class action holding that investors had stated viable securities claims against BP and its former officers. The Court held that investor shareholders adequately alleged that BP and its highest officers misrepresented the safety of BP's operations and ability to respond to the oil spill after the Deepwater Horizon explosion. Mark Molumphy, Joe Cotchett, Matthew Edling and Bryan Payne of CPM and the Mithoff Law Firm represent lead plaintiffs along with the New York State Common Retirement Fund and the Ohio Public Employees Retirement System. The court has set a trial date for August 2014.

GOVERNOR JERRY BROWN APPOINTS FRANK DAMRELL TO THE STATE DELTA STEWARDSHIP COUNCIL



Frank Damrell, retired Federal Judge, and a principal at CPM has been appointed to the California Delta Water Council. They make decisions on water supply and ecosystems in the Sacramento Delta that will effect the entire State. Damrell was a Federal Judge appointed by President Clinton in 1997. He heads up the Sacramento office of CPM and handles major antitrust and securities fraud cases around the country.



CPM AIR

RECENT FILINGS

SHAREHOLDER COMPLAINT FILED AGAINST HEWLETT-PACKARD BOARD OF DIRECTORS



CPM, on behalf of **Morrill Financial**, shareholders in the Hewlett-Packard Company ("HP") filed a derivative lawsuit on behalf of the company against the HP Board of Directors for breach of their fiduciary duties and other misconduct related to the Autonomy acquisition. In November 2012, HP announced that it was writing down \$8.8 billion in shareholder value, claiming that the write-down is related to accounting improprieties at Autonomy. CPM's lawsuit alleges that the purported accounting improprieties is a cover up to the real fraud at HP. The complaint alleges that in November 2011, HP misrepresented to the market that it had used Autonomy's technology to create a revolutionary new integrated Next Generation Information Platform, but that HP did not have the integrated Next Generation Information Platform back then. On March 4, 2013, Judge Charles R. Breyer appointed CPM to serve as **Lead Counsel** in the securities derivative action. The CPM team is headed up by **Joe Cotchett, Mark Molumphy, Aron Liang, Matthew Edling** and **Bryan Payne**. This is one of a number of shareholders suits filed by CPM within the last few years.

CALIFORNIA HIGH SPEED RAIL



Pete McCloskey, Frank Pitre and **Ara Jabaghourian** represent several landowners throughout California in upcoming eminent domain actions involving California's High Speed Rail Project. CPM has established a team which is evaluating the properties' value based on best use and other methodologies to ensure individuals, businesses and families get fair value for their properties. Hundreds of properties are involved in the San Joaquin Valley.

COTCHETT, PITRE & McCARTHY FIGHTS FOR COURT FUNDING



Niall McCarthy, as co-chair of the Open Courts Coalition has led the fight to reinvest our California court system. On February 12, 2013, McCarthy forcefully testified before the California Assembly Judiciary Committee about the need to return funds to the courts.

MEDICAL BILLING FRAUD CASES TO TRIAL

Niall McCarthy and **Justin Berger** are set for trial in a billing fraud case where the State and Federal government lost tens of millions of dollars. The core allegation is that laboratories discounted Medicare Part A (where nursing homes pay the bill) in exchange for getting Medicare Part B business (where the Federal government pays the bill). The complaint alleges the government was massively overcharged. The trial will be a rare chance to publicly expose the shadowy world of medical billing practices.



MARTIN'S BEACH ACCESS LAWSUIT

CPM's **Eric Buescher** and **Pete McCloskey** joined by Co-Counsel **Mark Massara**, a long time advocate for protecting California's waters and beaches, filed suit on behalf of the **Surfrider Foundation**, a non-profit dedicated to protecting and providing public access to the nation's beaches and waves. The suit alleges that illegal obstructions at Martin's Beach prevents public access to the idyllic beach just south of **Half Moon Bay**. The California Coastal Act requires any development which changes the use of a beach to have a permit issued by the Coastal Commission. While in Congress, McCloskey helped found **Earth Day** in 1970 and co-authored the **Endangered Species Act**.

CHEVRON SUED FOR FRAUD IN PAYING ROYALTIES TO OWNERS

Joe Cotchett and **Matt Edling**, along with the **ERNST Law Firm**, filed the first of many cases alleging that Chevron and other oil producers have failed to pay proper royalties to landowners in the **Central Coast area of California**. Many owners have been kept in the dark about proper royalty payments for years that recent accounting has shown to be deficient.

RECENT FILINGS



MAJOR PONZI SCHEME CASES FILED ON BEHALF OF SENIOR CITIZENS



Ponzi schemes, asset misappropriations, and other investor frauds have returned with a vengeance. These cases involve the worst acts of fraud and deceit on senior citizens and others by those who invest their retirement funds and trusts. CPM recently filed cases involving Ponzi schemes on behalf of seniors and local business owners. **Phil Gregory** is leading a CPM financial fraud team, including **Camilo Artiga-Purcell**, to bring litigation in federal and state courts.

CPM's **Backhouse litigation** was filed in Santa Clara Superior Court and involves 45 trusts victimized by misappropriation of funds totaling millions of dollars. The complaint alleges that professional trustee Christine Backhouse allowed her friend, Josh Kennedy, to control trust assets and caused a bank to improperly transfer funds either to Kennedy or to businesses in which he had an interest. Unscrupulous investment professionals and a bank are behind the **Geringer litigation**. Filed in U.S. District Court, the complaint alleges that since 2005, John Geringer raised millions by misrepresenting the performance of his private investment fund, known as GLR Growth Fund. Investors were allegedly lured into placing their retirement funds with Geringer through a bank reference. The bank allegedly represented that it oversaw all the transactions and ensured funds were being properly invested.

CPM SUPPORTS THE CALIFORNIA SEA OTTER FUND

Sea Otter | Defenders in Action: California Tax Check-off | Defenders of Wildlife



ANTITRUST & BUSINESS FRAUD UPDATES



LITHIUM ION BATTERIES PRICE-FIXING CONSPIRACY – OAKLAND

Attorneys **Steve Williams** and **Nancy Fineman** are prosecuting the class action on behalf of purchasers of laptop computers who may have been overcharged as a result of a conspiracy to fix the prices of the lithium ion batteries that power the computers. This case follows similar price fixing by electronics manufacturers involving computer chips, computer and television screens, and optical disk drives.

FREIGHT FORWARDERS PRICE-FIXING CONSPIRACY – NEW YORK

The court has set August 9, 2013 as the date to consider final approval of the settlements reached to date in this world-wide price-fixing conspiracy. These settlements exceed **\$110 million**, and arise from a global conspiracy to fix the prices for shipping. The case is being handled by **Steve Williams**, **Adam Zapala** and team.

AUTO PARTS PRICE-FIXING CONSPIRACY- DETROIT

The United States Department of Justice has called this case its largest criminal antitrust investigation ever, especially "with respect to the impact on U.S. business and consumers, and the number of companies and executives that are subject to the investigation." CPM is Co-Lead Counsel in the civil case, which now involves at least eleven different automotive parts. **Frank Damrell**, **Gene Kim** and **Elizabeth Tran** are helping to lead this massive case.

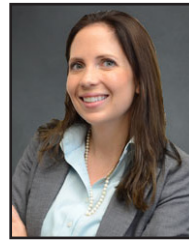
CHINESE BUSINESS FRAUD CASES - INTERNATIONAL

Steve Williams is leading a team prosecuting and defending cases of business fraud. They recently secured the successful dismissal of fraud claims brought against hiSoft Technology, a NASDAQ traded company based in Beijing, China. hiSoft was accused of fraud in its acquisition of an American company, and the claims were dismissed. **Aron Liang** and **Elizabeth Tran** headed up the case.

CPM INVESTIGATIONS

The team led by **Steve Williams** is looking at various antitrust violations in the high-tech and pharmaceutical fields.

SECURITIES & CONSUMER FRAUDS UPDATES



HEWLETT-PACKARD SHAREHOLDER DERIVATIVE LITIGATION – SAN FRANCISCO

CPM was appointed **Lead Counsel** in the derivative action against Hewlett Packard's Board of Directors arising from H-P's \$8.8 billion write down of shareholder value following its acquisition of Autonomy. CPM is currently interviewing witnesses and preparing an amended complaint to file in early May to proceed with the case.

MEDICAL CAPITAL PONZI SCHEME – ORANGE COUNTY

Attorneys **Mark Molumphy** and **Bryan Payne** represent a class of 8,000 note-holders against Wells Fargo and Bank of New York Mellon as the trustees of Medical Capital, a receivables company that was a **Ponzi scheme**. In February, Federal Judge David Carter preliminarily approved settlement of the class and mass actions for \$114 million against Bank of New York Mellon. Trial is set to begin against Wells Fargo in April 2013.

LEHMAN BROTHERS – NEW YORK

CPM was appointed Liaison Counsel by Federal Judge Lewis Kaplan of New York. **Matt Edling** and **Imtiaz Siddiqui** are leading CPM's efforts and are assigned to depose the key witnesses from Ernst and Young as well as the former officers and directors of Lehman Brothers.

KBS REIT – MARIN COUNTY

Attorneys **Mark Molumphy** and **Matt Edling** along with Block and Leviton filed a class action against KBS Real Estate Investment Trust and its subsidiaries and officers for violating California securities law and breach of fiduciary duties for the mismanagement of KBS and self-dealing with wholly-controlled subsidiaries.

CPM INVESTIGATIONS

The team led by **Mark Molumphy** is investigating securities claims against Verifone Systems, Inc., Cole Credit Property Trust III and numerous other companies for misconduct which has harmed shareholders of these entities.

SAN BRUNO FIRE UPDATE



The Judge assigned to the San Bruno Fire cases has ordered PG&E and hundreds of plaintiffs to seek global resolution of the remaining cases. Headed by **Frank Pitre** along with **Ara Jabaghourian** and **Alexandra Hamilton**, the cases will be presented to two former California Appellate Court Justices who will work with the parties to attempt to resolve the remaining 125 cases involving over 300 individuals harmed by the blast. On September 9, 2010, seven people were killed and 38 homes were completely destroyed when a PG&E gas transmission pipe exploded in a San Bruno neighborhood. Numerous lawsuits followed with Pitre named to lead the litigation.

PENSION FUND INVESTIGATIONS



CPM is currently investigating numerous frauds against public pension funds and is pursuing evidence through various stages. These frauds hurt not only the teachers, fire fighters, construction workers, and public employees whose retirement monies are invested in the pensions, but everyone who relies on the integrity of securities markets across the country.

MADOFF NEW YORK CASES



The New York office continues to pursue the co-conspirators of Bernie Madoff seeking recovery for victims. There has been a settlement with some defendants involved with the Beacon Funds which has been approved by the Court. Cases against other funds and individuals are proceeding in N.Y. state court against banks, funds, and individuals who worked with Madoff on the fraud.

COMMUNITY ACTIVITIES



CPM CONTRIBUTES TO GUN BUYBACK PROGRAM

San Mateo County offered a gun buyback program for individuals to surrender their weapons in exchange for cash. To help make this program a success, CPM made a substantial contribution for the purchase of firearms. The event was sponsored by San Mateo

County Sheriff Greg Munks, Supervisor Adrienne Tissier and Congresswoman Jackie Speier. Speier stated that "fewer guns also mean fewer accidents and fewer chances for guns to fall into the wrong hands." The event was a huge success with a total of 680 guns turned in, 24 of which were assault weapons.

TROOP DONATIONS:

2nd Cavalry Regiment's Stryker Brigade In Afghanistan Receives Goods From CPM



Every year, CPM supports Army units in Iraq and Afghanistan. This year, CPM is supporting a new unit: The 2nd Cavalry Regiment's Stryker Brigade Combat Team. The Stryker Brigade is currently on a one year deployment to the Masum Ghar Province, Afghanistan. In February, CPM shipped **40 boxes of necessities to the troops**. CPM will continue to ship them goods throughout the year and assist the troops with letters and support. **Darren Kelley**, a senior paralegal and former 82nd Airborne paratrooper, heads up the program at the firm.

SECOND HARVEST FOOD BANK



CPM staff sorted food for the holidays at the **Second Harvest Food Bank**. The food was to be distributed to families struggling with low-wage jobs, growing housing costs and homelessness. Over 25 volunteer CPM lawyers, paralegals, clerks and secretaries bagged, sorted and inspected food.



Frank Damrell speaking at **The Justice Anthony M. Kennedy Library** Event in Sacramento in February. Damrell is one of the sponsors of the library event and ceremony for Justice Kennedy.

CPM WELCOMES NEW ASSOCIATES



JENNIFER R. CRUTCHFIELD

Received her Bachelor of Arts in Psychology from **Loyola Marymount University**. While at LMU, she studied abroad at **Oxford University**. She received her J.D. from the **University of Arizona College of Law**. She also received an LLM from **Universite Jean Moulin** in France. Ms. Crutchfield's practice focuses on business litigation and securities. She is an active long distance runner.



JOANNA W. LICALSI

Received her Bachelor of Arts from **Sarah Lawrence College**. She received her J.D. from the **University of San Francisco School of Law**. Ms. LiCalsi's practice focuses on securities and antitrust litigation. Ms. LiCalsi is active in Bay Area Lawyers for Individual Freedom and the LGBT community.

WILLIAMS SPEAKS AT CONSUMER CLASS ACTION CONFERENCE

Steve Williams gave the presentation "**The Future of Class Actions**" to the Seventh Annual Consumer Attorneys of California Class Action Conference. Williams traced the development of class actions, from one of the most important cases in our nation's legal history, *Brown v. Board of Education* – the case that declared the racial doctrine "separate but equal" unconstitutional – up to today's Supreme Court Class decisions.



CPM LIVE - THE FIRM UNVEILS BROADCAST TV STUDIO



Chief Technical Officer **Victor Luscap** launched the firm's **in-house satellite broadcast TV studio** in its Bay Area office with television, network and broadcast capabilities. This is part of CPM's move to go digital, premiering its first segment on the show, **Ring of Fire**, with **Robert Kennedy, Jr.**, **Michael Papantonio** and other lawyers and elected officials around the country. The show will be on the internet and cable.

HONORS FOR CPM ATTORNEYS AND STAFF

ITALIAN AMERICAN BAR ASSOCIATION PRESENTS AWARD TO FRANK PITRE



The San Francisco Italian-American Bar Association honored **Frank Pitre** with their **Lawyer of the Year Award**. The coveted "Golden Salami" was presented to him by partners, Joe Cotchett and Niall McCarthy at the Annual IABA Judges Luncheon held at the St. Francis Yacht Club.

SAN MATEO COUNTY BAR ASSOCIATION AND BARRISTER GROUP



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JUSTIN BERGER**



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SMCBA
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**NATIONAL
LAW JOURNAL**

CPM NAMED TO **TOP 10** LITIGATION LAW FIRMS LIST FOR 2013

CPM has been recognized by **The National Law Journal** as one of the **top litigation firms in the country** by being selected to the Litigation Boutique **Top 10 List**. The National Law Journal picks the top 10 firms that demonstrate that when it comes to high-stakes cases it's all about skill, not size. **CPM** was honored for its phenomenal success in cases covering a wide range of different areas of law, including obtaining over a \$1 billion settlement in the Toyota sudden unintended acceleration litigation, obtaining restitution for dozens of victims of the 2010 San Bruno PG&E pipeline explosion, successfully representing Medical Capital investors in litigation against Wells Fargo and Bank of New York Mellon, and prevailing against international freight forwarders who fixed the price of freight forwarding services. **CPM** continues with numerous cases around the country on behalf of defrauded individuals and pensions.

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ADVOCATES FOR JUSTICE SPOTLIGHT: CPM ELDER ABUSE PRACTICE



Niall McCarthy



Anne Marie Murphy



Justin Berger



Eric Buescher



Jonathan Hsieh

Elder abuse is becoming one of the most serious problems in our country today. As the population ages and the economy stagnates, a great deal of fraud is being perpetrated on senior citizens. Whether it be individuals, senior citizen homes, retailers or banks, seniors are prey to all types of financial and physical abuse.

CPM is known for its commitment to protecting the rights of the elderly in California. Niall McCarthy's father, the late Leo McCarthy, was instrumental in passing California's laws protecting seniors. The firm has long fought the battle on behalf of elders who have been victimized by financial and physical abuse. CPM's elder abuse practice group includes **Niall McCarthy, Anne Marie Murphy, Justin Berger, Eric Buescher** and **Jonathan Hsieh**, and has a long track record of successfully representing the elderly and their family members. Elder abuse can be either financial or physical and can take many forms. CPM has handled a wide-array of cases over the years. The following are only a few examples of the types of cases:

Pauline Gogol v. Mills-Peninsula Health Services d/b/a Mills-Peninsula Skilled Nursing
San Mateo County Superior Court

In July 2012, CPM won a seven figure jury verdict after a two week trial on behalf of an 86 year old resident of San Mateo County who was injured in a nursing home. The jury also made a finding of clear and convincing evidence of recklessness, oppression, fraud or malice for an additional award of attorney's fees and punitive damages. Ms. Gogol was recovering from a hip replacement at defendant's nursing home when she was dropped, breaking her recently replaced hip and was placed back in bed without the injury being reported. Due to her cognitive impairment she had no memory of how her injury occurred. She received treatment only after a family member discovered her injuries. **Niall McCarthy** and **Anne Marie Murphy** tried the case.

Pauline B. Reade v. Fetuu Tupofutuna, et al.

San Mateo County Superior Court

CPM and The Legal Aid Society of San Mateo County provided *pro bono* representation to an 89 year old elderly widow, Pauline Reade, who was bilked out of her life savings. Ms. Reade faced foreclosure on her Pacifica home after a scam contractor tricked her into signing loan documents with various banks and mortgage entities.

Snyder v. Menon, et al.

Marin County Superior Court

CPM filed a major case against the lender, title company and individuals for fraud and elder abuse based upon the fraudulent inflation of the purchase price of a property the Plaintiffs sought to purchase in their senior years.

“Our firm is known for handling large cases and business disputes but representing elders is at the core of what we do and who we are as a firm.”
- Anne Marie Murphy

Foroudian v. Wilson, et al.

San Mateo County Superior Court

Action for fraud and elder abuse against title company, hard money lenders, Plaintiffs' son and his ex-girlfriend for fraud and elder abuse resulting in the Foroudians incurring \$2 million in debt for the benefit of Defendants. The Plaintiffs recovered all of their embezzled money.

Rodriguez v. Res-Care, Inc., et al.

San Mateo County Superior Court

CPM filed an elder abuse case against ResCare on behalf of a developmentally disabled victim who suffered second and third degree burns when she was put in a shower for 20 minutes with scalding, 130 to 135-degree temperature water. The case was extensively litigated over years and resulted in a life-changing recovery for the Plaintiff.

Coleman v. Wright, et al.

San Mateo County Superior Court

CPM filed an action for fraud and elder abuse against lenders and brokers who perpetrated and assisted a fraudulent “foreclosure assistance” scam to steal Plaintiffs' home.

Berry v. Assurity Life Insurance, et al.

San Joaquin County Superior Court

CPM filed an action for elder abuse and breach of fiduciary duty for recommending and selling inappropriate investment vehicles and annuities.

Platon v. A&C Health Care Services

Santa Clara County Superior Court

CPM filed an action for elder abuse and negligence against an adult care facility for neglect and physical abuse of a 91 year old resident. The complaint alleges that the Plaintiff's leg was twisted and mangled in the pedals of his wheelchair and the injuries led to a serious infection that required multiple surgeries.

Transamerica Reverse Mortgage Litigation

San Mateo County Superior Court

CPM filed a class action against companies that sold seniors unfair reverse mortgages with high costs and excessive fees, which were also tied to requiring the purchase of inappropriate annuities. Through settlement, several million dollars was returned to seniors.

AS PART OF OUR FIRM'S COMMITMENT TO PROTECTING ELDERS OUR ATTORNEYS REGULARLY SPEAK AT COMMUNITY EVENTS AND LEGAL SEMINARS. WE ALSO FIELD NUMEROUS INQUIRIES EVERY WEEK FROM ELDERS AND THEIR FAMILY MEMBERS WHO SUSPECT ABUSE.