

ADVOCATES FOR JUSTICE

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LEGAL WIN FOR CALIFORNIA COUNTIES & CITIES IN LEHMAN CASE



Several California counties and cities, including San Mateo County can move forward with legal claims against Lehman Brothers' former **Executives** and **Directors** and their auditor **Ernst & Young** for violating securities laws. New York Federal Judge Lewis Kaplan denied motions to dismiss claims that Lehman Brothers' accounting fraud began far earlier than anyone else had discovered. **Joe Cotchett, Mark Molumphy, Matthew Edling, and Bryan Payne** lead CPM's efforts to return taxpayer funds to California cities and counties that lost hundreds of millions as a result of Lehman Brothers' collapse. This is one of the few cases in the country to allow a claim that Wall Street executives hid their assets to avoid claims against them. Discovery now starts on all executives and the auditor across the country.

McCARTHY HONORED BY CONSUMER ATTORNEYS PRESIDENT - 2012



Niall McCarthy was honored as the 2012 **President of Consumer Attorneys of California** at a banquet of 700 lawyers and judges, including **Governor Brown**, former San Francisco **Mayor Art Agnos** and state Senate and Assembly members. McCarthy spent many days in 2012 in Sacramento working with lawmakers to help pass laws to protect consumers and fund the courts.

MADOFF LITIGATION SETTLEMENTS UPDATE



CP&M participated in a global settlement worth over **\$219 million** with the **Bank of New York Mellon** and others for losses from the Madoff Ponzi Scheme arising from investments in the Beacon feeder funds. The settlement monies will go towards helping CP&M clients and others who were victimized by this massive fraud. Attorneys **Nancy Fineman, Imtiaz Siddiqui** and **Brian Schnarr** lead CP&M's Madoff litigation in New York. The firm is continuing to pursue other individuals and entities who assisted Madoff in the fraudulent scheme.



HON. FRANK C. DAMRELL (RET.)

Damrell, retired from the U.S. District Court and is **Of Counsel** at CP&M, continues to be fully involved in the Kennedy Library in Sacramento and the Close Up Foundation for children in D.C.

SAN BRUNO FIRE CASE PUNITIVE DAMAGES ALLOWED



A Superior Court Judge ruled there's enough evidence that PG&E failed to test or replace its gas pipes allowing San Bruno blast survivors to seek hundreds of million of dollars in punitive damages. The Court ruled a "reasonable" jury could conclude PG&E crossed the legal line needed, which is intended to make an example of wrongdoers. **Frank Pitre, Ara Jabagchourian** and **Alexandra Hamilton** represent many of the victims of the tragedy.

COTCHETT, PITRE & McCARTHY

A firm dedicated to our system of justice that represents individuals, companies and entities on issues that respect the rule of law and constitutional protection for all citizens.



CPM AIR

HONORS FOR CP&M ATTORNEYS AND STAFF



COTCHETT NAMED ONE OF THE TOP 100 LAWYERS IN CALIFORNIA FOR 15TH STRAIGHT YEAR

The **San Francisco / Los Angeles Daily Journal** selected **Joe Cotchett** as one of the top **100 lawyers** in California for the fifteenth consecutive year. The list is made up of lawyers who have made a major impact on the legal profession at the state and national level on an annual basis. Cotchett has been named to both the California State Bar **Trial Lawyers Hall of Fame** and the **National Hall of Fame**. He has been named one of the top three **Super Lawyers** for the past several years.

FINEMAN SELECTED AS CALIFORNIA WOMEN'S CAUCUS TRIAL LAWYER OF YEAR



The **Consumer Attorneys of California Women's Caucus** has honored **Nancy Fineman** as its **2012 Woman Trial Lawyer of the Year**. This award is given annually to a woman trial lawyer who achieves a significant result in a case, and who demonstrates how the civil justice system works to provide justice to victims and consumers in the state.

THIGPEN HONORED WITH 2012 WOMEN LEADERS IN LAW AWARD



Jordanna Thigpen received the **2012 Women Leaders in Law: Champion Networkers Award** from the San Francisco legal newspaper, *The Recorder*. The award recognizes women who have shown creativity and effort in building relationships that create opportunities for their firms or organizations and for others. Thigpen was also honored by San Francisco Police Department Chief Greg Suhr for her work in helping bring a real estate Ponzi scheme to justice.

JABAGCHOURIAN & LIANG SELECTED AS FINALISTS FOR CAOC TRIAL LAWYER OF THE YEAR AWARD



The **Consumer Attorneys of California** selected **Ara Jabagchourian** and **Aron Liang** as Finalists for the prestigious **2012 Trial Lawyer of the Year Award**. They were nominated for their exceptional **jury verdict** representing a class of consumers who were deceived into loaning money to a massive Ponzi scheme in Fresno, California. A jury returned a multi-million dollar reward for the victims of the scheme in a class action.

WILLIAMS SELECTED AS ONE OF NEW YORK'S TOP RATED LAWYERS



CP&M Partner, Steve Williams has been selected as one of **New York Area's Top Rated Lawyers**. The attorneys on this list are only those attorneys listed in *The Best Lawyers in America*. Williams practices in both the Burlingame office as well as heading up the New York office.

NEW POSITIONS

JUSTIN T. BERGER



The **San Mateo Barristers Association** elected **Berger** as **President**. He has been recognized as one of the leading young litigators in California. He specializes in false claims, consumer protection, financial and elder abuse litigation.

MATTHEW K. EDLING



The **San Mateo County Bar Association** appoints **Edling** as **Director**. Earlier this year he was also appointed to the **California State Bar Task Force** on Admissions Reform. He specializes in financial, intellectual property and other complex litigation.

CAMILO ARTIGA-PURCELL



La Raza Centro Legal has elected **Artiga-Purcell** to serve on its **Board of Directors**. **La Raza Centro Legal** is an organization providing legal services to the Bay Area's immigrant, day laborer, and senior citizen communities. His practice focuses on securities fraud and complex litigation.

CHRISTOPHER LAVORATO



The **San Mateo County Trial Lawyer's Association** swore in **Lavorato** as a **Director**, and recently became an at-large member of the **Board of Governors for Consumer Attorneys of California**. His practice focuses on complex civil matters including claims of commercial fraud, business torts, catastrophic injury and products liability.

CASE UPDATES

CP&M WELCOMES TWO NEW LAWYERS



JONATHAN HSIEH

Received his Bachelor of Arts in Economics from the **University of North Carolina**. He received his J.D. from the **University of California, Berkeley School of Law (Boalt Hall)**. Mr. Hsieh's practice focuses on false claims act litigation and in business and antitrust cases.



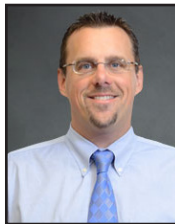
ELIZABETH TRAN

Received her Bachelor of Arts in Economics and Political Science, with a concentration in Public Policy, from **Boston University**. At BU, she interned and studied abroad in London and Sydney. She received her J.D. from the **University of California, Hastings College of the Law**. Ms. Tran is fluent in Vietnamese. Her practice focuses on antitrust and complex litigation.

AT&T/CINGULAR SETTLEMENT FOR UNFAIR BUSINESS PRACTICES APPROVED FOR CONSUMERS

A Superior Court gave final approval to a class action settlement between California consumers and AT&T Wireless and Cingular arising out of alleged unfair business practices. The Court approved the distribution of the settlement funds to specific charities, legal aid societies and non-profit organizations throughout California. "They will provide much needed funds to charities and other organizations," said **Nancy Fineman**, the lead attorney on the case.

CP&M WINS JURY VERDICT IN ELDER ABUSE CASE



CP&M specializes in elder financial and physical abuse cases. In one recent case, CP&M helped an 86 year old woman win a **\$1,844,000** jury verdict who was seriously injured in a nursing home because of negligent care. The jury found recklessness by clear and convincing evidence of recklessness for an additional award of attorneys' fees and punitive damages. The case was tried by **Niall McCarthy, Anne Marie Murphy, and Brian Schnarr**.

SENIOR COUPLE'S HOME SAVED AFTER THEY WERE VICTIMS OF SCAM

CP&M's elder abuse team of **Niall McCarthy, Anne Marie Murphy** and **Eric Buescher** were able to unwind an elder abuse scheme by which an elderly couple's son and his friend stole all of the equity out of the seniors' home. The seniors were also saddled with over \$2 million in loans (most of which were for a palatial San Francisco residence). CP&M negotiated a complex settlement that involved lenders, a title company and the son and friend just before trial. The case resulted in the elders' home being returned to them and the repayment of the money that was taken out of their retirement savings. The seniors were made whole, and brought a home cooked meal to CP&M for the team.

LAWSUITS AGAINST MONTEREY COUNTY ADULT RESIDENTIAL FACILITY

Chris Lavorato and his team recently filed several lawsuits on behalf of the families of developmentally disabled adults killed in a fire at the Mount Carmel Adult Residential Facility in Monterey County. The lawsuits allege dependent abuse and negligence against the owners and operators of the facility for their failure to maintain their facility and inadequate staffing. Lavorato is a Veteran and former Captain in the United States Army Aviation branch of military service.

HURRICANE KATRINA LITIGATION



In September and October, **Phil Gregory** served as one of the lead trial attorneys in a **Louisiana Federal Court** trial arising from flooding in New Orleans during Hurricane Katrina. The issue presented by Phil's trial team was whether the Army Corps of Engineers and its contractor, Washington Group, improperly performed construction work that allowed Hurricane Katrina's surge to cause the floodwall to fail. **Gregory** has worked for years with the homeless in San Jose through **EHF LifeBuilders**.



CASE UPDATES

ANTITRUST CASES



AUTO PARTS PRICE-FIXING - DETROIT

Former Federal Judge **Frank Damrell** and **Steve Williams** of CP&M are lead counsel in the massive litigation brought on behalf of consumers injured by price-fixing of automotive parts. This case is related to the largest criminal antitrust prosecution in United States history. CP&M recently filed four additional cases involving the price-fixing of windshield wipers, alternators, starters and radiators. The cases affect those who purchased or leased a car that was subject to the alleged price-fixing.



LITHIUM ION BATTERIES PRICE-FIXING - OAKLAND

Attorneys **Steve Williams** and **Adam Zapala** recently filed a class action complaint in Oakland alleging a conspiracy to fix the prices of lithium ion batteries used in computers, cellphones, cameras, and other consumer products.



ORBITZ (HOTEL ROOM PRICE-FIXING) - LOS ANGELES

Attorneys **Steve Williams** and **Gene Kim** filed a class action complaint in San Francisco alleging a conspiracy in which plaintiffs paid an overcharge on hotel rooms booked through website retailers such as Orbitz and Expedia. Instead of actively competing to offer consumers the best possible prices, the complaint alleges website retailers and hotels conspired to inflate the price of hotel room reservations.



FREIGHT FORWARDERS PRICE-FIXING - NEW YORK

This case involves a worldwide conspiracy in the freight forwarding industry, CP&M reached settlements of over \$100 million with Schenker, Vantec, EGL, Nishi Nippon, UAC, Morrison and Kuehne+Nagel. **Steve Williams** and **Elizabeth Tran** head up this case in New York.



CATHODE RAY TUBES PRICE-FIXING - SAN FRANCISCO

In a case involving price-fixing of Cathode Ray Tubes, settlements have been reached with Chungwa Picture Tubes, Phillips, Panasonic and LG. This case involves a ten-year conspiracy to fix prices of tubes used in televisions and computers.

WHISTLEBLOWER GOVERNMENT FRAUD CASES



MEDICARE FRAUD CASE SET FOR TRIAL - LOS ANGELES

One of CPM's False Claims Act whistleblower cases is set for trial in the Central District of California in May 2013. The complaint alleges that Diagnostic Labs, the largest provider of lab and x-ray services to Southern California nursing homes, has systematically defrauded the taxpayer funded Medicare and Medi-Cal systems. The case was recently featured in **California Watch**, the leading independent investigative journal in the state. The case is being handled by CP&M attorneys **Justin Berger** and **Jonathan Hsieh**.



CP&M WINS DECISION IN FALSE CLAIMS CASE - MICHIGAN

In a whistleblower case against Quest Diagnostics for overbilling Michigan's Medicaid system, CP&M recently defeated Quest's motion to dismiss the complaint. The complaint alleges that Quest, the largest medical laboratory company in the world, systematically overbilled Michigan's taxpayers for routine laboratory tests. CP&M attorneys **Niall McCarthy** and **Justin Berger** are in charge of the case along with the Michigan Attorney General's office.



DURABLE MEDICAL EQUIPMENT FRAUD INVESTIGATION - NATIONWIDE

CP&M is currently investigating several cases of companies overcharging the government for "Durable Medical Equipment." Some Durable Medical Equipment companies bill Medicare for equipment supposedly being rented to individuals who are deceased and forge physicians' signatures on medical necessity certifications.



CP&M TEAMS UP WITH CONSUMER WATCHDOG TO PROSECUTE HYUNDAI FUEL

EFFICIENCY FRAUD CLASS ACTION - NATIONWIDE

CP&M, along with Consumer Watchdog and two other leading firms have teamed up to pursue class action claims against Hyundai over what Hyundai recently admitted were exaggerated claims of fuel efficiency for several of its vehicles, including its top selling Elantra. The case is being handled by CP&M attorneys **Anne Marie Murphy** and **Eric Buescher**.



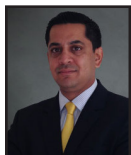
CASE UPDATES

SHAREHOLDER CASES



MEDICAL CAPITAL - ORANGE COUNTY

Attorneys **Mark Molumphy**, **Jordanna Thigpen** and **Bryan Payne** represent a class of 8,000 note-holders who invested in Medical Capital, a receivable company that turned out to be a ponzi scheme. The case against their indenture trustees, Wells Fargo and Bank of New York, is set for trial in 2013. Motions are now being heard in Federal Court in Orange County.



ORACLE - SAN FRANCISCO

CP&M attorneys **Mark Molumphy** and his team serve as co-lead counsel in a derivative action filed on behalf of Oracle, alleging that senior management allowed the company to overbill the federal government resulting in one of the largest fines in United States history.



MF GLOBAL - NEW YORK

Attorneys **Joe Cotchett**, **Imtiaz Siddiqui**, and **Matthew Edling** represent MF Global customers alleging that MF Global's former officers including former CEO Jon Corzine, the Company's independent auditor, PricewaterhouseCoopers LLP, and its chief banker JP Morgan Chase & Co., improperly raided customer broker accounts to meet the firm's liquidity needs. Estimated losses exceed \$1.2 billion in customer funds - supposedly held in trust by MF Global.



FREDDIE MAC - NEW YORK

Mark Molumphy, **Imtiaz Siddiqui** and their team represent Freddie Mac preferred shareholders in a putative class action against the Company's former executives, following the Government's takeover of the mortgage giant. The Freddie Mac team is gearing up for an appeal to the Second Circuit of the district court's denial of class certification.



PUBLIC ENTITIES FRAUD CASES

CP&M represents many California counties and cities taking on Wall Street banks, insurance companies and credit rating agencies in two major antitrust cases. In the ***Municipal Derivatives Litigation***, California public entities allege that the banks, insurance companies and brokers that provided municipal derivatives rigged the bidding process in the market. CP&M's individual civil cases are coordinated for pretrial purposes with related class actions in **New York Federal Court**. In the

Municipal Bond Insurance Litigation, California public entities allege that bond insurers failed to disclose that insuring subprime mortgages jeopardized their AAA credit ratings and conspired with the rating agencies to maintain a discriminatory dual credit rating system. The cases are coordinated in **San Francisco**. **Nanci Nishimura** and **Daniel Sterrett** lead CP&M's investigation.



LIBOR INTEREST RATE INVESTIGATIONS

CP&M represents a number of California public entities in LIBOR interest rate manipulation cases and has been investigating the financial scandal since 2011. LIBOR is the London Interbank Offered Rate, the interest rate at which banks borrow money from each other, that is the benchmark used for setting interest rates in everyday financial transactions used by public entities. Recently, various banks admitted they falsely reported *suppressed* borrowing rates or falsely reported *higher* borrowing rates by fixing the rates. Municipalities were damaged when they paid artificially high rates and/or received artificially depressed rates of returns on their investments. **Nanci Nishimura**, **Matthew Edling**, **Aron Liang** and **Daniel Sterrett** lead CP&M's LIBOR investigation team and litigation for the public entities.

SENIOR STAFF PARALEGALS



IAN ATKINSON-YOUNG is a Senior Paralegal with CP&M. He has a B.A. in Humanities from the **University of Southern California** and a Paralegal Certificate from the **University of California Los Angeles**. He works on complex litigation including antitrust, financial fraud against public entities, and false claims act cases. He is the Chief Paralegal on False Claims Cases. His hobbies are his music and spending time with his family.



Sisters **ONA SZETO BACIGALUPI** and **ONI SZETO** have been paralegals with the firm for a combined 12 years. They've learned about hard work and dedication from their parents, Chinese immigrants who came to California to build their American dream. Both speak Cantonese and work on major complex, business, securities and damages cases. They also volunteer for many community services for the poor.

COMMUNITY ACTIVITIES

MID-PENINSULA BOYS AND GIRLS CLUB



The Boys & Girls Club of America and Major League Baseball have given countless children the chance to realize their dreams both on and off the field. Pictured are CP&M Senior Paralegal and Boys & Girls Club Board President, **Darren Kelley** and club kids, during pre-game ceremonies at AT&T Park, CP&M Administrative Assistant, **Stacy Young**, volunteers two days a week at the club, tutoring children in math and reading to help them with school.



SECOND HARVEST FOOD BANK



CP&M staff are always volunteering at the **Second Harvest Food Bank**, serving San Mateo and Santa Clara Counties. With the same dedication and efficiency used in the office, they volunteered and bagged food for those less fortunate. Over 40 CP&M staff members were involved this year.



YEAR OF THE
SNAKE
2013



CP&M WINS PEOPLE'S COURT 2012 BASKETBALL LEAGUE CHAMPIONSHIP

The team headed up by CP&M Paralegal, **Patrick Menzel**. This is the third year in a row.



CP&M DIVERSITY COALITION



CP&M's history of ethnic and cultural diversity in its attorneys and staff has long been involved with non-profits and bar associations that represent diverse groups. **Nanci Nishimura**, **Aron Liang** and **Ryan Manuel**, head up CP&M's efforts to organize events and volunteer on behalf of these groups. In November, attorneys and paralegals from CP&M volunteered at the SF Food Bank, an organization that provides food to the underprivileged of all backgrounds from all over the Bay Area. CP&M attorneys and staff regularly donate food, toys and clothing for the less fortunate during the holidays.

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PERSONAL NEWSLETTER