

ADVOCATES FOR JUSTICE

San Francisco Bay Area • Los Angeles • Washington, D.C. • New York

"The firm has few peers that equal their ability in litigation. Their commitment to the cause of justice and their ethical standards stand apart. They are good people who give back to the community and give lawyers a good name."

- Retired Judge of the Superior Court of California

"The Cotchett firm, in particular, has appeared before the court in other actions, and the performance of its attorneys to date in this and in other cases is a testament to the ability of these attorneys."

- Judge of the United States District Court

COTCHETT, PITRE & McCARTHY PARTNERS HONORED AS 2011 CALIFORNIA SUPER LAWYERS



Cotchett, Pitre & McCarthy has been honored by Northern California Super Lawyers magazine as among the top attorneys for 2011. Eight attorneys—a third of the firm's attorneys—have been honored as **2011 Super Lawyers**. In addition to **Joe Cotchett** on the **Top 10 list** and **Frank Pitre** on the **Top 100 list**, they are **Nancy Fineman**, **Philip Gregory**, **Niall McCarthy**, **Mark Molumphy**, **Nanci Nishimura** and **Steven Williams**. Another six of the firm's attorneys were on the **Rising Stars list**—**Justin Berger**, **Matthew Edling**, **Ara Jabaghourian**, **Aron Liang**, **Anne Marie Murphy** and **Niki Okcu** based on a survey of California lawyers.

CP&M IN THE COMMUNITY HELPING OTHERS...

CP&M SUPPORTS OUR TROOPS IN IRAQ & AFGHANISTAN



The following are excerpts from a letter to CP&M from Cpt. James Wiltse, Company Commander of the **Airborne Infantry** unit serving in Iraq, which we support:

"Please relay my Company's gratitude to all who contributed to the care packages that we received this week." ... "The men are very grateful for the variety of items that were sent over." ... "Our PX here at Camp Ramadi closes in the next 2 weeks which means that these packages arrived at the perfect time."

CP&M sent over **500 pounds** of various items, from beef jerky to toothpaste, to soldiers from the 82nd Airborne serving in Iraq. CP&M does this on a regular basis. The program is managed by **Darren Kelley** of CP&M for the Americans Supporting Americans ("ASA") Program - Troops overseas.



CP&M volunteers as a soccer coach for the **BOYS & GIRLS CLUB**



Nanci Nishimura & Linda Clark restoring a house for **REBUILDING TOGETHER**



CP&M wins Basketball Championship for Corporate Rivals **CHALLENGE FOR CHARITY**

CP&M VOLUNTEERS FOR SECOND HARVEST FOOD BANK



In November, CP&M employees sorted food at the **Second Harvest Food Bank** to be distributed to families struggling with low-wage jobs, growing housing costs and homelessness. Volunteers bagged, sorted and inspected food. Taking CP&M's motto - "Develop a sense of urgency" - to heart, the volunteers broke a record by bagging **2,300 bags of food**. It was just CP&M's way to help achieve Second Harvest Food Bank's mission - "Providing food for people in need in our community." As **Karin Yee-Fajardo** said, **"It is all about helping those less fortunate in these difficult times - over 70 of our people helped the Food Bank."**

HONORS FOR CP&M ATTORNEYS & STAFF



COTCHETT & McCARTHY HONORED BY INCLUSION ON PRESTIGIOUS LIST OF TOP 100 ATTORNEYS IN CALIFORNIA

In September, the **Daily Journal**, the largest legal newspaper in California, announced its **Top 100 Lawyers** in the state for 2011. **Joe Cotchett** and **Niall McCarthy** are among those attorneys on the prestigious list. This is out of over 300,000 lawyers in California. Cotchett has made the list for the past fourteen years since the Daily Journal started the process.

CALIFORNIA STATE BAR AWARD FOR HISTORIC CASE



In September, the State Bar's "A Tribute to Pro Bono 2011" event was held in Long Beach where CP&M received the 2011 President's Pro Bono Services Award. The CP&M Team, lead by **Niki Okcu**, is being recognized for providing pro bono representation to an 89 year old elderly widow, **Pauline Reade**, who was bilked out of nearly \$600,000.

JABAGCHOURIAN RECOGNIZED BY THE ARMENIAN BAR ASSOCIATION



The Armenian Bar Association awarded **Ara Jabagchourian** with the "20 Rising Stars Under 40" Award in Pasadena, California in July. The honorees exemplify a high caliber of excellence in both their legal professional endeavors and in their involvement in the Armenian community. He was honored for his overall commitment to the Armenian people.

CONSUMER ATTORNEY OF THE YEAR FINALIST

In October, **Frank Pitre**, **Ara Jabagchourian**, **Niall McCarthy** and **Justin Berger** were named Consumer Attorney of the Year Finalists by Consumer Attorneys of California. Pitre and Jabagchourian were recognized for the largest individual wrongful death verdict in *Mazurek v. American Medical Response*. McCarthy and Berger were recognized for the \$300 million settlement in the *Quest False Claims Litigation*.

PITRE HONORED TO BECOME FELLOW OF INTERNATIONAL SOCIETY OF BARRISTERS



Frank Pitre was selected to become a Fellow of the International Society of Barristers. This exclusive honor puts Pitre among only 800 lawyers worldwide adjudged by their peers and judges to be "outstanding in the field of advocacy." The Society stands to honor the role of the trial lawyer in the system of justice. One of the principal goals is the preservation of the adversary system and the jury trial.

FINEMAN HONORED BY CALIFORNIA WOMEN LAWYERS



Nancy Fineman was recognized as one of **20 Women of Achievement for 2011**, by the California Women Lawyers at its 37th Annual Dinner in September. Fineman was amongst noted Honorees including **Attorney General Kamala Harris**, Judges **Sharon Majors-Lewis** and **Michele Flurer**, and Federal Judges **Kim Mueller** and **Yvonne Gonzales Rogers**.



Chief Justice Cantil-Sakauye

COTCHETT HONORED WITH THE FIRST SAN MATEO COUNTY BAR ASSOCIATION DIVERSITY AWARD

In September, the San Mateo County Bar Association **Diversity Committee** presented **Joe Cotchett** with the first ever **Diversity Award** at the San Mateo County History Museum. Cotchett achieved this award by "demonstrating a meaningful and consistent commitment to increasing and maintaining diversity in San Mateo County at all levels of the legal profession." **California Chief Justice Tani Gorre Cantil-Sakauye** honored Cotchett with her speech at the gathering by praising the County Bar and Cotchett for all his work over the years to diversify the Bar.

COTCHETT HONORED AS 2011 ANTITRUST LAWYER OF THE YEAR BY THE GOLDEN STATE ANTITRUST INSTITUTE

In October, the Antitrust and Unfair Competition Law Section of the State Bar of California honored **Joe Cotchett** as the **2011 Antitrust Lawyer of the Year**. The Bar noted Cotchett's "legendary reputation for his courtroom accomplishments and for being considered one of the country's foremost trial lawyers by both plaintiff and defense attorneys." Over 300 attorneys from around the state honored Cotchett at the event.



THANK THOSE WHO SERVE...

NISHIMURA ELECTED FIRST VICE PRESIDENT OF THE CALIFORNIA WOMEN LAWYERS



Nanci Nishimura was recently elected by the Board of Governors to serve as First Vice President of the **California Women Lawyers**. CWL is the nation's largest and only statewide organization for women in the legal profession which serves to promote and advocate for the rights of women in the law and in society. CWL is actively involved in education, legislation, and promoting judicial diversity. Ms. Nishimura also serves on CWL's Executive Committee and is **Chair** of the **Judicial Evaluations Committee**. Nishimura was recently appointed by **Governor Brown** to the prestigious **Commission on Judicial Performance**, which reviews the conduct of California Judges.



CP&M WELCOMES NEW ASSOCIATES



CAMILO ARTIGA-PURCELL

Received his B.A. in Sociology and Religious Studies from **Macalester College** and his J.D. and Business Law Certificate from **University of San Francisco**.



CHRISTOPHER LAVORATO

Received his B.A. in Communications from the **University of San Francisco** and earned his J.D. from the **University of Santa Clara School of Law**. He served as an Aviation Officer and UH-60 Blackhawk pilot before law school.

FINEMAN ELECTED TO STATE BAR BOARD OF GOVERNORS

Nancy Fineman has been elected to the California State Bar Board of Governors. She is the elected lawyer of the District Four seat on its Board of Governors. Fineman won this contested race and will serve a term of three years. District Four covers the Counties of **San Mateo**, **San Francisco** and **Marin**. The State Bar is the governing body of more than 300,000 licensed attorneys in California.

McCARTHY 2012 PRESIDENT OF CONSUMER ATTORNEYS OF CALIFORNIA

In November 2011, **Niall McCarthy** was sworn in as President of the Consumer Attorneys of California whose approximately 6,000 associated trial lawyer members represent consumers who seek justice and accountability from wrongdoers. McCarthy will lead the organization in 2012 as CAOC works with the legislature, the courts and many organizations throughout the state to preserve and protect access to justice for consumers and injured persons. McCarthy will continue to work closely with Speaker of the Assembly John A. Perez and Senate President Darrell Steinberg.

MCCLOSKEY AND GREGORY ADDRESS COMMONWEALTH CLUB ON GLOBAL WARMING LITIGATION



Pete McCloskey and **Phil Gregory** led a panel discussion on our Firm's major **global warming case** filed in the Northern District of California. Former Congressman Pete McCloskey compared the climate change litigation with the impact smoking had on advertisements, TV, and movies. It wasn't until someone brought a lawsuit with the research of scientists finding that smoking was harmful that the surgeon general and the government made a change to decrease the overwhelming media publicity of smoking. *"All of these things start with the courts, with a noble concept, a courageous judge, and pretty soon it becomes national understanding and it becomes a policy in the country,"* says McCloskey.

WILLIAMS SPEAKS AT GOLDEN STATE ANTITRUST INSTITUTE CONFERENCE ON EMERGING GLOBAL ISSUES AND FOREIGN ANTITRUST LAWS



Steve Williams was one of the featured speakers at the Golden State Institute's Antitrust and Unfair Competition Conference in San Francisco on the topic Trial Complexities in Antitrust Cases. The presentation focused on trial of antitrust cases and complexities caused when diverse groups of plaintiffs presenting different claims – some under state law and some under federal law – participate in a single trial. CP&M dealt with these issues during *In re SRAM Antitrust Litigation*, which CP&M recently settled in 2011 for **\$77 million**. CP&M handles numerous **antitrust** cases around the country.

COTCHETT, PITRE & McCARTHY's 奉献起诉或捍卫社会正义行动，赢得了国家和全州的声誉

VERDICTS & SETTLEMENTS IN RECENT MONTHS

\$114 MILLION IN VERDICTS AGAINST HL LEASING, INC. FOR CALIFORNIA CENTRAL VALLEY PONZI SCHEME



In August 2011, a Fresno County Superior Court jury entered a verdict for **\$46.5 million** against the top two senior officers of HL Leasing, Inc., Dan Ramirez and Andy Fernandez, for their involvement in a Ponzi scheme. The jury verdict came three days after the court had entered a directed verdict for **\$114.5 million** against HL Leasing, Inc., Heritage Pacific Leasing and Air Fred, LLC for a Ponzi scheme in which

over 800 California residents lost \$94 million, mostly in the Central Valley. The plaintiffs were represented by Partner **Ara Jabaghourian**, Senior Associate **Aron Liang** and paralegals **Ryan Manuel** and **Maybelle Dominguez**. Jabaghourian said of the verdict, "This Ponzi scheme has ruined the lives of many individuals in California including hundreds in Fresno, many of whom lost their life savings."

MADOFF UPDATE



Imtiaz Siddiqui heads up the CP&M New York office and leads the CP&M Madoff litigation with **Nancy Fine-man**. He reports that Justice Lowe has under submission an order to allow all New York State cases to proceed against Bernie Madoff co-conspirators, JP Morgan and others. CP&M is working with other law firms to coordinate the discovery against several defendants tied to Madoff and his companies.

MILLIONS RECOVERED FROM WASHINGTON MUTUAL FOR COUNTY AND CITY



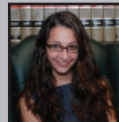
Mark Molumphy, **Matt Edling** and **Jordanna Thigpen** recovered \$4.5 million for the **County of Monterey** and the **City of Ventura** from Washington Mutual's former directors and officers

and auditor. Notably, this was the only action in the country that resulted in Washington Mutual Bank noteholders receiving compensation for the fraud.

CASE UPDATE: SAN BRUNO FIRE



FRANK PITRE - ARA JABAGCHOURIAN
NIKI OKCU - JESSICA CURIALE



A trial date of **July 2, 2012** has been set in the San Bruno Fire litigation. Nearly 100 lawsuits have now been filed by individuals and families affected by the PG&E pipeline explosion that destroyed the Crestmoor neighborhood of San Bruno. The cases have all been coordinated before Judge Dylina of the San Mateo Superior Court, with **CP&M** and **Corey, Luzaich, Pliska, de Ghetaldi & Nastari LLP** serving as liaison counsel for all Plaintiffs. The firm trial date set by Judge Dylina is an important step in bringing justice to those who have been devastated by this terrible tragedy. Pitre serves as the lead trial lawyer for the Plaintiffs.

CP&M RECOVERS HISTORIC \$300 MILLION FOR THE STATE OF CALIFORNIA CP&M Client Named "Whistleblower of the Year"



In September 2011, **Niall McCarthy** and **Justin Berger** finalized a \$49.5 million settlement with Laboratory Corporation of America (LabCorp), in a whistleblower action brought in 2005 on behalf of the State of California for Medi-Cal fraud. This settlement, along with \$241 million recovered by CP&M in May 2011 from the Quest Diagnostics, Inc., the top provider of medical laboratory testing in the United States, brings the total recovered by CP&M on behalf of the State of California to over **\$300 million** (including settlements with several smaller defendants). For his role in the litigation, CP&M client and whistleblower **Chris Riedel** was awarded the Taxpayers Against Fraud "Whistleblower of the Year" award in Washington D.C. in September. The \$300 million is the largest recovery in history under the California False Claims Act.

BP SECURITIES UPDATE

A Federal Judge in Texas has heard all Motions to Dismiss on the Federal securities cases pending in Houston. Rulings are expected in the next few months before any discovery case start.

DERIVATIVE BOND UPDATE

CP&M represents numerous California counties, cities and non-profit organizations in the ongoing lawsuit regarding derivative bonds. Discovery is stayed pending certain criminal trials.

TRIBUNE/LA TIMES REPORTERS GET PRELIMINARY APPROVAL FOR \$32 MILLION SETTLEMENT



In a landmark case brought by CP&M against Sam Zell and two companies on behalf of 13,000 reporters and employees of The Tribune Company, lawyer **Phil Gregory** and his team received preliminary approval for a \$32 million settlement for the employees' retirement plan. Preliminary approval of the settlement was ordered by Judge Rebecca Pallmeyer of the United District Court for the Northern District of Illinois in October, with the hearing on final approval to be January 30, 2012. According to the Class Notice, the lawsuit challenged the transaction where Defendants allegedly both overpaid for Tribune stock and purchased unregistered stock, as well as other alleged failures by Defendants to properly safeguard the interests of the retirement plan.

VETERAN'S DAY SALUTE FROM CP&M



Present members of CP&M who have served include: **Darren Kelley**, a former **82nd Airborne** paratrooper; **Joe Cotchett**, a former **Special Forces JAG Colonel**; **Pete McCloskey**, a former **Marine Colonel** decorated for heroism in Korea; **Victor Luscap**, a former **Marine Veteran**; and **Chris Lavorato**, former **Army Aviation Officer**, with fellow pilot next to UH-60 Blackhawk [Pictured]. Lavorato flew in the Gulf War, Middle East and Panama.

RECENT LAWSUITS AND FILINGS

CP&M PROTECTS PENSION FUNDS AGAINST FALSE CLAIMS BANK OF NEW YORK/MELLON LITIGATION



Steve Williams and **Eric Buescher** [Pictured] are representing public pension funds from Los Angeles, San Diego, and Stanislaus County in a case against Bank of New York/Mellon involving the Bank's use of false information when it engages in **foreign exchange transactions** as custodian for the pension funds. The lawsuit alleges that Bank of New York/Mellon acted as custodian and fiduciary for the public pension funds, but secretly profited by providing the least advantageous terms to the public pension funds when it executed foreign currency transactions on the pension funds' behalf. The Bank told pension funds that it would use "best practices" in these transactions. In reality, Bank of New York/Mellon was transacting at much more advantageous rates for itself and keeping the difference for its own benefit while hiding the prices at which it actually engaged.

CP&M's 奉献起诉或捍卫社会正义行动，赢得了国家和全州的声誉

CP&M FILES ACTION AGAINST BANK TO RECOVER FUNDS EMBEZZLED FROM FEINSTEIN CAMPAIGN COMMITTEES



In September 2011, **Joe Cotchett**, **Nancy Fine-man**, **Aron Liang**, and **Justin Berger** [Pictured] filed an action on behalf of U.S. **Senator Dianne Feinstein's** campaign committees to recover funds embezzled by campaign treasurer **Kinde Durkee**. Durkee, a trusted campaign treasurer for scores of elected officials and charities in California over the past 20 years, was arrested by federal agents on September 2, 2011 and accused of mail fraud. According to a federal criminal complaint filed against her by the United States Attorney General, Durkee has embezzled millions of dollars over the years from her clients, including two of Senator Feinstein's campaign committees. As described by U.S. Representative **Susan Davis** of San Diego, it appears that Durkee was "the Bernie Madoff of campaign treasurers." CP&M seeks to obtain justice for all who have contributed money in support of Senator Feinstein, other elected officials, and the dozens of non-profits Durkee has defrauded.



LAWSUIT FILED AGAINST SONOMA VALLEY BANCORP AND EXECUTIVES FOR DEFRAUDING SHAREHOLDERS



In August 2011, **Niall McCarthy** and **Anne Marie Murphy** of CP&M filed a lawsuit in Sonoma County Superior Court against Sonoma Valley Bancorp and its executives to recover the \$70 million in share value that vaporized, which left hundreds of investors with worthless stock. The complaint alleges pervasive violations of fiduciary duty by top executives, which harmed the bank and its shareholders. According to the complaint, the bank was brought to its knees by risky lending activity that included over \$50 million lent to a Marin developer and his associates, even as he was defaulting on loans made by other banks.

Cotchett, Pitre & McCarthy se dedica a la acusación o defensa de acciones socialmente justo. Se ha ganado una gran reputación tanto nacional como a nivel estatal.

CP&M HAS OFFICES IN THE SAN FRANCISCO BAY AREA, LOS ANGELES, WASHINGTON, D.C. & NEW YORK





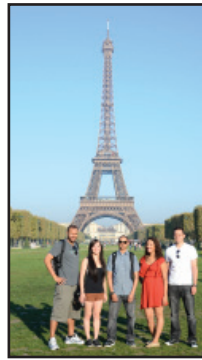
CP&M's indoor soccer team, Rough Justice, wins League Championship



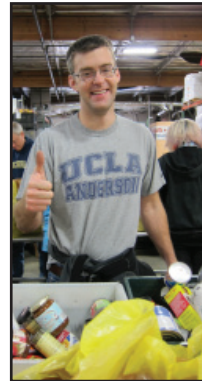
Joe Cotchett with the San Francisco Mayor, Hon. Ed Lee and the Mayor of Shanghai, Hon. Han Zheng on visit to San Francisco



Nancy Fineman and Bar Association officials, with Chief Justice Tani Cantil-Sakauye in support of Legal Aid



CP&M representatives in Europe on assignment



Daniel Sterrett volunteering at Second Harvest Food Bank

INVESTIGATION & TECHNOLOGY



Victor Luscap is the **Chief Technical Officer** and **Nirav Engineer** is the **Chief Investigative Analyst** at CP&M. Their extensive knowledge of investigation and technology keeps the firm on the cutting edge as it applies to litigation. Luscap at-



tended the College of San Mateo and worked for years in software. Engineer concentrated in Computer Information Systems at San Francisco State University and heads up Investigation.

MANAGEMENT & ACCOUNTING



Phyllis Lee
*Administrator
&
Office
Manager*



Cecile Meyer
*Chief
Financial
Officer*

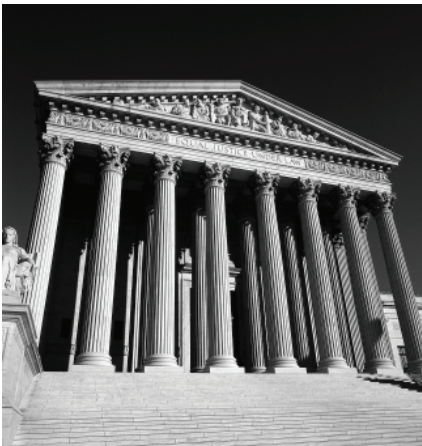


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PERSONAL NEWSLETTER