

EXHIBIT C

NORTHERN

DEFENSE

EXPERT(S)

Michael J. Bresler, M.D., emergency medicine, Palo Alto, CA
 Dorothy Dennin, R.N., nursing, El Dorado Hills, CA (did not testify)
 Lawrence Dickinson, M.D., orthopedic surgery, Castro Valley, CA
 Gary Pasternak, M.D., internal medicine, San Diego, CA

POST-TRIAL The defense was granted costs in the amount of \$82,188.59.

EDITOR'S NOTE This report is based on information provided by defense counsel. Plaintiff's counsel did not respond to the reporter's phone calls.

—Kristen Brown

SONOMA COUNTY

VERDICT of the WEEK

EMPLOYMENT

Sexual Harassment — Wrongful Termination — Retaliation

Suit: Card dealer fired after reporting sexual harassment

VERDICT **\$2,015,487**

CASE Shannen De La Cruz v. Cal-Pac Sonoma and Cal-Pac Group, No. SCV 244297
COURT Superior Court of Sonoma County, Sonoma, CA
JUDGE Mark Tansil
DATE 8/2/2010

PLAINTIFF ATTORNEY(S) Candice Clipner, Santa Rosa, CA
 Stephen M. Murphy, Law Offices of Stephen M. Murphy, San Francisco, CA

DEFENSE ATTORNEY(S) Michael St. Denis, Law Offices of Michael St. Denis, Redondo Beach, CA

FACTS & ALLEGATIONS In December 2004, plaintiff Shannen De La Cruz, 38, a minimum-wage card dealer at The 101 Casino along Highway 101 in Petaluma, alleged that her work supervisor, Bill Bundesen, began sexually harassing her.

De La Cruz claimed that she began receiving unwanted sexual comments from Bundesen a few months after she started working at the casino and that it continued after she reported the offensive behavior to the human resources manager in 2005. After she reported the behavior, De La Cruz claimed that Bundesen and upper management began retaliating against her and disciplining her for minor or sometimes fabricated problems. She claimed she was ultimately terminated in July 2006, when The 101 Casino management found out she was exploring legal action.

De La Cruz sued Cal-Pac Sonoma and Cal-Pac Group, the casino owners, alleging sexual harassment, wrongful termination and retaliation.

Among Bundesen's alleged behavior was an incident in which he brought in a promotional pen for erectile dysfunction drugs and showed female employees how the pen grew lengthwise. De La Cruz also claimed Bundesen repeatedly told her that she had a nice "rack" and that her "rack looked good to [him]."

Plaintiff's counsel also introduced testimony of four female employees who said they'd also been sexually harassed, including the human resources manager to whom De La Cruz complained and who settled her own suit against the company in 2009.

Bundesen denied any inappropriate action and is still employed at the casino.

INJURIES/DAMAGES *emotional distress; insomnia*

De La Cruz sought recovery of damages for emotional distress and past lost earnings. She contended that she often lost sleep over the incidents, and suffered emotionally and in her home life because of the stress.

RESULT The jury found for the plaintiff and awarded her \$2,015,487 in damages.

SHANNEN

DE LA CRUZ \$1,500,000 punitive damages
 \$15,487 economic damages
\$500,000 emotional distress
\$2,015,487

DEMAND \$425,000 including fees and costs
OFFER \$395 including fees and costs

TRIAL DETAILS Trial Length: 3 weeks
 Trial Deliberations: 1 day
 Jury Vote: 12-0
 Jury Composition: 10 female, 2 male

EDITOR'S NOTE This report is based on information provided by plaintiff's counsel. Defense counsel did not respond to the reporter's phone calls.

—Kristen Brown

NORTHERN

EMPLOYMENT

California Labor Code — Whistleblower — Retaliation

RN said she wasn't rehired due to her complaints about safety

VERDICT \$344,198**CASE** Kristeen Klaas v. ValleyCare Medical System, No. RG08408707**COURT** Superior Court of Alameda County, Oakland, CA**JUDGE** Wynne Carvill**DATE** 7/23/2010**PLAINTIFF****ATTORNEY(S)** Barbara Figari, The Figari Law Firm, San Anselmo, CA
Lawrence A. Organ, Law Offices of Lawrence A. Organ, San Anselmo, CA**DEFENSE****ATTORNEY(S)** Sandra K McIntyre, Lewis, Brisbois, Bisgaard & Smith L.L.P., San Francisco, CA
Melynnie A. Rizvi, Lewis, Brisbois, Bisgaard & Smith L.L.P., San Francisco, CA

FACTS & ALLEGATIONS On May 8, 2008, plaintiff Kristeen Klaas, 52, a registered nurse, quit her job in distress after 15 years at ValleyCare Medical System and claimed that the hospital refused to rehire her in retaliation for patient safety complaints she made to the director of surgical services and the chief operating officer, and because Klaas refused to engage in the unlawful activity of backdating a document to be submitted to the state during an inspection.

Klaas sued ValleyCare for retaliation under California Health and Safety Code Section 1278.5, and the Whistleblower Act of the California Labor Code.

Klaas, an operating room nurse, claimed she complained to superiors at the hospital about numerous patient safety issues over a period of one to two years. Her complaints included an operating room employee jumping rope with a piece of plastic tubing in the spine room of the hospital, an operating room employee letting a dog lick his face in the employee break room outside the operating rooms, a surgical technician who brought a rifle into the operating room office to sell and a malleable retractor getting left inside a patient after an abdominal hysterectomy, as the hospital did not have a formal policy of counting instruments after surgery. Klaas also complained that, the day before her last day of employment, part of another surgical instrument went missing, and she feared it was retained in the patient, because it was never found.

Klaas claimed that on her last day on the job, she got permission from her supervising nurse to leave work because she was in distress after a colleague, the subject of three of her

complaints, screamed at her, but then a supervisor called her at home and accused her of leaving without permission, which prompted Klaas to resign. Klaas asked for her job back 11 days later, but hospital administrators refused to rehire her.

Klaas also accused a supervisor of forging her signature on a performance evaluation after she refused to sign an evaluation that was backdated to comply with state regulations. Klaas claimed that this refusal contributed to the decision not to rehire her.

The defense contended that on Klaas' last day, she accepted her surgical assignment and left the hospital without permission minutes before the surgery she was scheduled to assist on was to begin.

The defense claimed that when Klaas left the hospital on the last day of her job, she asked that the supervisor call her at home. When the supervisor did so, Klaas resigned from her employment without explanation. Klaas asked for her job back, and hospital administrators investigated her complaints, but they declined to rehire her because of the circumstances under which she had left the hospital on her last day of employment.

The defense claimed that almost two weeks after Klaas left the hospital grounds, she sent a letter to hospital management complaining about various workplace issues and requesting her job back, but at no time did she explain why she walked off the job without permission or express remorse for doing so.

Klaas' resignation was accepted by the hospital. The defense noted that Klaas had threatened to resign on several previous occasions.

The hospital claimed its decision was not based upon any retaliatory move.

The court granted the summary judgment on two of Klaas' other causes of action (wrongful termination/constructive discharge in violation of public policy and defamation). The court also found that Klaas quit and there was no constructive termination.

INJURIES/DAMAGES *emotional distress*

Klaas sought recovery for past wage loss and emotional distress damages. She is currently employed in a nursing position at Alta Bates Summit Medical Center in Oakland and San Leandro Hospital.

RESULT The jury found in favor of Klaas on two of her three remaining California Labor Code claims (for failing to rehire), but it didn't find that she suffered any emotional distress. The jury awarded her \$44,198 in economic damages and \$300,000 in punitive damages, for a total of \$344,198.

KRISTEEN KLAAS \$44,198 economic damages
\$300,000 punitive damages
\$344,198

TRIAL DETAILS

Trial Length: 1 month
 Trial Deliberations: 4 days
 Jury Vote: 9-3 and 10-2 on liability, 12-0
 in favor of defense in emotional distress
 damages, 11-1 malice and oppression were
 present in the decision not to rehire, 10-2
 punitive damages
 Jury Composition: 5 male, 7 female

POST-TRIAL Motions in progress.

EDITOR'S NOTE This report is based on information that was provided by plaintiff's counsel and defense counsel.

—Priya Idiculla

CONTRA COSTA COUNTY

LANDLORD AND TENANT

Commercial Leases — Fraud — Breach of Contract

Restaurateur said lessor didn't mention she'd have to relocate

SETTLEMENT **\$107,250**

CASE Van Tran v. San Pablo Supermarket, Inc. and Signature At Abella, LLC, No. CIVMSC09-00404

COURT Superior Court of Contra Costa County, Contra Costa, CA

JUDGE Barry Baskin

DATE 5/25/2010

PLAINTIFF ATTORNEY(S) Natashe Washington, Attorney at Law, Oakland, CA

DEFENSE ATTORNEY(S) James D. Biernat, The Biernat Law Group, San Carlos, CA (San Pablo Supermarket Inc.)
 Damien Morozumi, Law Offices of Damien Morozumi, San Francisco, CA (Signature At Abella LLC)

FACTS & ALLEGATIONS Plaintiff Van Tran entered into a commercial sublease with San Pablo Supermarket to operate a Vietnamese noodle restaurant at a shopping mall in San Pablo. Tran also purchased the restaurant and all of the fixtures and equipment. In April 2008, two years after opening, Tran was required to close her business due to renovation work being done at the shopping mall by the landlord, Signature at

Abella LLC. Signature at Abella was unaware of the sublease San Pablo Supermarket and Tran had entered into, which was in contradiction to the terms of the underlying lease between Signature and San Pablo Supermarket. A new restaurant was being built for Tran on the opposite side of the mall, but she did not want to do business San Pablo Supermarket and did not return to the mall.

Tran sued San Pablo Supermarket for fraud, breach of quiet enjoyment and contract, and property damage. She also sued Signature at Abella for breach of quiet enjoyment.

Tran argued that when she signed the lease she was not informed of the possible renovation and relocation. She also noted the proposed new restaurant San Pablo Supermarket wanted her to move to was unsatisfactory because it was smaller than the original and had higher rent.

The defendants cross-complained against each other for indemnity.

INJURIES/DAMAGES Tran sought an award that included lost profits, good will, loss of her restaurant equipment, and loss of funds spent remodeling.

RESULT The parties reached a settlement on the day of trial. San Pablo Supermarket agreed to pay Tran \$85,000 and Signature at Abella agreed to pay \$22,500. The total settlement was \$107,250.

DEMAND \$125,000

PLAINTIFF EXPERT(S) Victor P. Republicano Jr., accounting, Alameda, CA

DEFENSE EXPERT(S) Mark A. Cohen, Ph.D., economics, Lafayette, CA

EDITOR'S NOTE The information in this report was provided by plaintiff's counsel and defense counsel.

—James Withers

Checking up on an Expert?

Go to www.VerdictSearch.com
 or call 1-800-832-1900
 to find the cases they've handled.

NORTHERN

TRIAL DETAILS	Trial Length: 6 weeks Trial Deliberations: 4 hours Jury Vote: 12-0
PLAINTIFF EXPERT(S)	None reported
DEFENSE EXPERT(S)	Bernard S. Rappaport, M.D., psychiatry, Berkeley, CA (did not testify) Richard A. Rubenstein, M.D., neurology, Richmond, CA (did not testify)

POST-TRIAL The court denied the plaintiffs' motions for a new trial and JNOV.

EDITOR'S NOTE This report is based on information provided by plaintiffs' counsel and defense counsel.

—Kristen V. Brown

SAN MATEO COUNTY

EMPLOYMENT

Sexual Harassment — Nationality or National Origin

Mexican-American employee claimed harassment, retaliation

VERDICT	Defense
CASE	Javier Moncayo v. Holiday Inn, Aqua Enterprises Inc. and Intercontinental Hotels Group Resources, No. CIV478734
COURT	Superior Court of San Mateo County, San Mateo, CA
JUDGE	Carol L. Mittlesteadt
DATE	3/1/2010
PLAINTIFF ATTORNEY(S)	Stephen M. Murphy, Law Office of Stephen M. Murphy, San Francisco, CA Mathew Stephenson, Kochan & Stephenson, San Francisco, CA
DEFENSE ATTORNEY(S)	Timothy C. Davis, The Davis Law Firm, P.C., San Francisco, CA (Aqua Enterprises Inc.) Charles J. Smith, Hartnett, Smith & Associates, Redwood City, CA (Holiday Inn)

Shirley Wang, The Davis Law Firm, P.C.,
San Francisco, CA (Aqua Enterprises Inc.)

FACTS & ALLEGATIONS From Sept. 1, 2006, to Nov. 23, 2007, plaintiff Javier Moncayo, a Mexican-American in his 40s, worked for Houlihan's and Holiday Inn as a server, breakfast supervisor and banquet manager. He was employed directly by Aqua Enterprises Inc. He started as a server, was promoted to server supervisor in February 2007 and ascended to banquet manager on Aug. 1, 2007.

Moncayo sued Holiday Inn and Aqua Enterprises, alleging sexual harassment, national origin harassment, retaliation, failure to prevent harassment and retaliation, wrongful discharge in violation of public policy, failure to pay wages for meal breaks, failure to pay wages for rest breaks and waiting time penalties. (Intercontinental Hotels Group Resources was originally included as a defendant, but was dismissed.)

Plaintiff's counsel argued that the defendants were an integrated enterprise and were liable as Moncayo's employer. Counsel claimed that the defendants tolerated an environment of hostility based on race and gender and retaliated against Moncayo by terminating him within three days of learning that he had talked to the Equal Employment Opportunity Commission. (Moncayo complained to the EEOC of harassment based on race by the banquet chef and harassment based on gender by the female front desk clerk.)

According to plaintiff's counsel, the defendants failed to properly investigate Moncayo's claims.

The plaintiff also alleged that he had been improperly classified as an exempt employee and denied overtime, rest breaks and meal breaks.

The defense denied any wrongdoing. Defense counsel argued that Moncayo and his witnesses deliberately lied under oath and that Moncayo's allegations were fabricated. For example, defense counsel contended that Moncayo lied about never having been married when in fact he married a Holiday Inn housekeeper after his termination. Defense counsel argued that Moncayo spent time with his future wife rather than performing his job duties.

INJURIES/DAMAGES *emotional distress*

Moncayo sought recovery for emotional distress and back pay.

RESULT The jury found for the defense.

DEMAND	\$875,000, according to counsel for Aqua Enterprises
OFFER	\$5,001 as to all the employment causes of action and \$8,501 as to the wage-and-hour claims (CCP 998), according to counsel for Aqua Enterprises
TRIAL DETAILS	Trial Length: 6 weeks Jury Vote: Unanimous on six causes of action; 11-1 on two claims

PLAINTIFF**EXPERT(S)**

Rhoma Young, human resources policies,
Oakland, CA (did not testify)

DEFENSE**EXPERT(S)**

Jan Duffy, human resources policies,
San Francisco, CA (did not testify)

EDITOR'S NOTE This report is based on information that was provided by plaintiff's counsel and defense counsel for Aqua Enterprises. Defense counsel for Holiday Inn did not respond to the reporter's phone calls. Stephen Murphy, who remained counsel of record, stopped appearing at trial before jury selection, according to counsel for Aqua Enterprises. Murphy was not asked to contribute to the report.

—Jaclyn Stewart

SANTA CLARA COUNTY

PARTNERSHIP

Breach of Fiduciary Duty — Fraud

Plaintiff said former partners squeezed him out of business

VERDICT**Defense****CASE**

Bijan Farhangui v. Julia Hashemieh, Javad Zolfaghari, Bobby Sarnevesht and Abbas Khosnevisan, No. 108-CV-110458

COURT

Superior Court of Santa Clara County,
San Jose, CA

JUDGE

Neal F. Cabrinha

DATE

12/11/2009

PLAINTIFF**ATTORNEY(S)**

Michael G. Ackerman, Ackerman and Kevorkian, Santa Clara, CA

DEFENSE**ATTORNEY(S)**

Jonathan Jackel, Rouso & Jackel,
Campbell, CA
Nora L. Rouso, Rouso & Jackel,
Campbell, CA

FACTS & ALLEGATIONS On Sept. 3, 2003, plaintiff Bijan Farhangui formed Bay Area Surgical Group LLC with defendants Julia Hashemieh, Javad Zolfaghari, Bobby Sarnevesht and Abbas Khosnevisan and invested \$10,000 in the company. The parties planned to build and operate an outpatient surgical facility in Santa Clara and collectively the parties invested \$500,000.

In April 2004, the parties learned it would take at least another six months to acquire the necessary permits. At this time, Farhangui, the only member of the limited liability company with a medical background, as the operator of a PET scan facility, expressed that he did not wish to invest any more money in the project. On May 12, the LLC was dissolved with unanimous consent, and Farhangui's attorney prepared the dissolution papers. At this time, nothing had been built or purchased for the company. In June, the defendants formed Bay Area Surgical Group Inc. and opened the center in October 2005.

By 2008, the center was turning a moderate annual profit.

Farhangui filed suit against Hashemieh, Zolfaghari, Sarnevesht, and Khosnevisan, alleging fraud and breach of fiduciary duty against Hashemieh. He claimed that he had been squeezed out of the company and contended that he had only agreed to the dissolution because there was no money left. He further claimed that he did not know of the defendants' plan to continue with the surgical center, and had he known he would have stopped them from using the LLC's assets sooner.

The defendants contended that Farhangui had indicated that he wanted out of the company to open up a competing surgical center. They claimed that he backed out of the project when he realized that he would need to invest more than \$10,000. They further asserted that he was hesitant because none of the defendants had any medical background and he was convinced the project would fail.

The defendants insisted that they dissolved the initial LLC at Farhangui's request.

INJURIES/DAMAGES Farhangui sought damages including a 25-percent ownership interest in the company as well as lost profits and punitive damages.

RESULT The jury found for the defense.

DEMAND

\$750,000

OFFER

\$50,000

TRIAL DETAILS

Trial Length: 2 weeks

Trial Deliberations: 4.5 hours

PLAINTIFF**EXPERT(S)**

None reported

DEFENSE**EXPERT(S)**

Michael Eggers, C.P.A., accounting,
Danville, CA
Paul Lion III, legal services,
Palo Alto, CA

EDITOR'S NOTE This report is based on information provided by defense counsel. Plaintiff's counsel did not respond to the reporter's phone calls.

—Kristen V. Brown

MATTER NOT FILED/ENHANCED COVERAGE

on the San Diego Freeway in the vicinity of Lake Forest Drive in Lake Forest.

Also traveling north was a vehicle driven by James A. Bellar, who observed traffic slowing in front of him and changed lanes. A sport utility vehicle stopped for traffic in front of him, and Bellar braked and veered to the right. The left front of Bellar's vehicle struck the rear of the SUV and the force of the impact flipped the SUV onto its roof. Out of control, Bellar crossed several lanes of traffic, and his vehicle was ultimately struck by the front of the Rice vehicle as the Bellar vehicle careened in front of it. The air bags in the Rice vehicle deployed.

The Rices asserted a negligence claim against Bellar, alleging that he operated his vehicle carelessly by traveling at an unsafe speed for roadway conditions. The Rices also advanced a claim against their own automobile liability insurer, invoking their policy's underinsured motorist provisions.

INJURIES/DAMAGES *bulging disc, C5-6; bulging disc, C6-C7; compression fracture; hip; lacerations; loss of consortium; radiculopathy; retrolisthesis*

Ms. Rice sustained a T5 compression fracture, retrolisthesis at C5-C6, a 2-mm, broad-based disc bulge at C5-C6 and a 3-mm broad-based disc bulge at C6-C7. She also sustained linear high-signal intensities along the superior endplate of the T2 vertebral body and mid-to-inferior aspect of the T5 vertebral body, consistent with compression fractures. Motor examination revealed weakness in the plaintiff's left tricep, weakness in the flexors of both hips and radiculopathy.

She also alleged an abrasion and laceration to her forehead above her right eye, having broken the windshield of her vehicle with her head.

Ms. Rice posted medical specials of \$17,057.44.

Mr. Rice made a claim for loss of consortium.

RESULT A settlement was reached with the two insurance companies for a total of \$87,000.

On Bellar's behalf, USAA paid \$50,000 to Ms. Rice, the maximum single-person limit under the policy, and \$2,000 to Mr. Rice.

Ameriprise paid \$35,000 to Ms. Rice pursuant to the UIM coverage of its policy. Ameriprise also waived reimbursement of its medical payments provision.

The settlement with USAA was reached on May 22, 2009. The UIM component of the settlement was reached with Ameriprise on Dec. 2, 2009.

INSURER(S) USAA for Bellar

EDITOR'S NOTE This report is based on information that was provided by plaintiffs' counsel. The case settled without a defense attorney.

—Jon Steiger

ENHANCED COVERAGE

EMPLOYMENT

Wrongful Termination — Retaliation

City psychiatrist claimed he was fired due to his complaints

DECISION

Defense

CASE

Michael Christoph Kreutzer v.
City and County of San Francisco,
No. CGC04431522

COURT

Superior Court of San Francisco County,
San Francisco, CA

JUDGE

Ernest H. Goldsmith

DATE

3/2/2009

PLAINTIFF

ATTORNEY(S)

Anthony P.X. Bothwell, Law Offices of
Anthony P.X. Bothwell, San Francisco, CA
Michael S. Sorgen, Law Offices of Michael
S. Sorgen, San Francisco, CA

DEFENSE

ATTORNEY(S)

Michael L. Guerrero, Office of the City
Attorney, San Francisco, CA
Dennis J. Herrera, Office of the City
Attorney, San Francisco, CA
Terence J. Howzell, Office of the City
Attorney, San Francisco, CA
Elizabeth S. Salvesson, Office of the City
Attorney, San Francisco, CA

FACTS & ALLEGATIONS According to court documents, over the course of eight years, plaintiff Michael Christoph Kreutzer served as a medical director of three child psychiatry clinics and supervised psychiatry trainees and other medical staff. He was employed in a permanent position in the San Francisco Department of Public Health (DPH) from July 14, 1994 to Sept. 20, 2002. Reportedly, Kreutzer had an impeccable record of employment, always receiving satisfactory or better performance evaluations and never being a subject of disciplinary action.

In 2001 and 2002, Kreutzer allegedly complained that DPH management failed to remedy an ongoing rat infestation in the child crisis center where he worked as medical director.

On Sept. 3, 2002, Kreutzer also orally complained to his supervisor about a new policy that would allow pharmacists to directly prescribe medications to psychiatric patients but bill Medi-Cal as if a physician had delivered the medical care. Kreutzer was reportedly concerned that the new policy was not legal and did not adequately safeguard the patients' right

to medical care and treatment by a physician.

On Sept. 6, Kreutzer was terminated.

Kreutzer sued the City and County of San Francisco, alleging retaliatory discharge and failure to afford due process in violation of the California Constitution.

The defendant countered that it terminated plaintiff's employment because of serious accusations of misconduct. Allegedly, the defendant claimed that its employees learned that plaintiff was racially insensitive in that he described a Hispanic patient as a malingerer, he violated an administrative rule by contacting a janitor about filthy conditions, he kept a patient waiting while he looked for the patient's file, and he did not interact well with staff on certain occasions.

INJURIES/DAMAGES Demands were unspecified.

RESULT According to court documents, on Dec. 1, 2007, the court determined that Kreutzer was wrongfully terminated and ordered his reinstatement. The court also determined the Kreutzer was entitled to back pay.

On Dec. 6, 2007, the court awarded Kreutzer an estimated \$1,076,879 in attorney fees (applying a 1.75 multiplier to the lodestar, \$615,359).

POST-TRIAL On March 2, 2009, the court entered judgment in favor of the defense after the California Court of Appeal reversed the trial court's decision.

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INTELLECTUAL PROPERTY

Owner of Eminem songs sought more royalties

VERDICT **\$159,332**

CASE F.B.T. Productions LLC and Em2M LLC v. Aftermath Records d/b/a Aftermath Entertainment, Interscope Records, UMG Recordings Inc. and ARY Inc., No. 07CV03314(PSG)

COURT United States District Court, Central District, Los Angeles, CA

JUDGE Philip S. Gutierrez

DATE 3/17/2009

PLAINTIFF ATTORNEY(S) Mark L. Block, Glaser, Weil, Fink, Jacobs, Howard & Shapiro, LLP, Los Angeles, CA
Richard S. Busch, King & Ballow, Nashville, TN

Paul H. Duvall, King & Ballow,
La Jolla, CA

DEFENSE

ATTORNEY(S)

Kimberly D. Encinas, Munger, Tolles & Olson LLP, Los Angeles, CA
Kelly M. Klaus, Munger, Tolles & Olson LLP, Los Angeles, CA
Melinda E. Lemoine, Munger, Tolles & Olson LLP, Los Angeles, CA
Glenn D. Pomerantz, Munger, Tolles & Olson LLP, Los Angeles, CA

FACTS & ALLEGATIONS According to court documents, plaintiff F.B.T Productions LLC, defendant Aftermath Records (operating as Aftermath Entertainment) and the artist known as Eminem were parties to recording agreements that provided for, among other things, the creation and dissemination of music by Eminem and for the payment of royalties for that dissemination to F.B.T. and Eminem.

F.B.T. and the other plaintiff, Em2M LLC, alleged that Aftermath and its co-owners and co-defendants, Interscope Records, UMG Recordings Inc. and ARY Inc., licensed Eminem master recordings to third parties and that those third parties then sold permanent downloads and ringtones of the Eminem recordings. The plaintiffs claimed that the defendants did not pay them under the royalty provision of the parties' recording agreements that the plaintiffs claimed applied to this situation. As a result, the plaintiffs claimed, the defendants paid them less in royalties than they would have received under the provision that the plaintiffs contended should apply.

In their second cause of action, the plaintiffs claimed that the recording agreements required the defendants to split certain producer royalties and certain costs between F.B.T. and Eminem, but the defendants failed to do so correctly. The plaintiffs claimed that incorrect splitting of costs resulted in an underpayment of royalties to F.B.T.

The plaintiffs also sought declaratory judgment, asserting that the defendants were obligated to pay royalties equal to 50 percent of the defendants' net receipts derived from the licensing or other uses by the defendants of the Eminem recordings.

The defendants contended that the sale of permanent downloads and ringtones was subject to the same royalty that applied when Eminem albums were sold in other forms, such as CDs, cassettes and vinyl records. The defendants contended that Aftermath paid the plaintiffs correctly. The defendants also contended that Aftermath correctly allocated producer royalties between F.B.T. and Eminem and that, if the plaintiffs claimed that Eminem was overpaid, they should seek any claimed underpayment from him.

The defendants also raised various affirmative defenses to the plaintiffs' claims. For example, they asserted that the plaintiffs knew what royalty provisions Aftermath applied to pay royalties to the plaintiffs for permanent downloads and

POST-TRIAL At press time, Jadwin's request for costs, interest and liquidated damages under FMLA — in the form of doubling the economic damages award — was pending. And once final judgment is entered, Jadwin reportedly intends to petition for statutory attorney fees.

EDITOR'S NOTE This report is based on information that was provided by plaintiff's counsel and defense counsel.

—Priya Idiculla

RICO

Intentional Torts — Breach of Contract — Fraud

Woman claimed money was gifted to her, not loaned

DECISION **\$24,773**

CASE Paul Schifando v. Sierra E. Perrien,
No. 2:06-cv-02892-GW-FMO
COURT United States District Court, Central
District, Los Angeles, CA
JUDGE Fernando M. Olguin
DATE 6/1/2009

PLAINTIFF
ATTORNEY(S) Paul Schifando, pro se

DEFENSE
ATTORNEY(S) Sierra E. Perrien, pro se

FACTS & ALLEGATIONS In 2004, plaintiff Paul Schifando, a captain with the Los Angeles County Fire Department, met Sierra E. Perrien at the Spearmint Rhino, a Las Vegas gentleman's club where Perrien occasionally worked as a dancer/stripper.

Schifando alleged that, from April to September, during which time he and Perrien entered into a relationship, Schifando provided her with \$42,373.31. Part of the money was purportedly for an investment based upon Perrien's representations that she would purchase real property which she would then "flip," and they would then use the money so that she could move to Los Angeles to be with him.

According to Schifando, Perrien told him that she had experience in real estate transactions. In August, she contacted him and said that she had found a residence in Sacramento which could be bought "cheap" and "flipped" to make money for them to use so she could move in with him in Los Angeles.

On Aug. 19, he wired her \$20,000 for that purpose. (No documents memorializing that arrangement were ever created.) A few days later, Perrien again contacted Schifando and said that she needed to purchase a refrigerator, a washer and a dryer for the house. He allowed her to use his credit card to purchase

\$4,773.31 in appliances. After the last of the money was sent to Perrien, she contacted Schifando telling him that she would call him later, but she never did. Thereafter, she refused any attempts by him to reach her.

Schifando sued Perrien, asserting breach of contract, fraud and RICO.

Perrien did not deny receiving the \$42,373.31 from Schifando; however, she claimed that all of the moneys were "gifts" from Schifando to her. She testified that she does not remember calling Schifando and telling him that she needed \$9,000 to pay off a car loan or that she would pay him back with the recovery from her two vehicle accident cases. Perrien also denied having any conversations with Schifando as to their purchasing real property together.

INJURIES/DAMAGES The plaintiff sought \$42,373.31 in damages.

RESULT The plaintiff was awarded \$24,773.31 in a bench trial.

EDITOR'S NOTE This report is based on court documents. The plaintiff and the defendant, both pro se, were not asked to contribute.

—Aaron Jenkins

ENHANCED COVERAGE

EMPLOYMENT

Sexual Harassment — Workplace Harassment

Airport authority employee claimed harassment, retaliation

VERDICT **\$976,962**

CASE Sheri Dillon v. Burbank-Glendale-Pasadena Airport Authority and Dios Marrero, No. BC386989
COURT Superior Court of Los Angeles County, Central, CA
JUDGE Joanne B. O'Donnell
DATE 4/21/2009

PLAINTIFF
ATTORNEY(S) Thomas L. Hoegh, Lewis, Marenstein, Wicke Sherwin & Lee, LLP, Woodland Hills, CA

ENHANCED COVERAGE

DEFENSE

ATTORNEY(S)

Mindy S. Novick, Jackson Lewis LLP,
Los Angeles, CA (Burbank-Glendale-
Pasadena Airport Authority)
Diana P. Scott, Greenberg Traurig, LLP,
Santa Monica, CA (Dios Marrero)
Adam Y. Siegel, Jackson Lewis LLP,
Los Angeles, CA (Burbank-Glendale-
Pasadena Airport Authority)
Sherry L. Swieca, Jackson Lewis LLP,
Los Angeles, CA (Burbank-Glendale-
Pasadena Airport Authority)
Gregory P. Wong, Greenberg Traurig, LLP,
Santa Monica, CA (Burbank-Glendale-
Pasadena Airport Authority)

FACTS & ALLEGATIONS Plaintiff Sheri Dillon was a reserve police officer for the City of Burbank. She was hired by the Burbank-Glendale-Pasadena Airport Authority in 1984 and was promoted to the rank of sergeant in 1991. As an airport authority sergeant, Dillon worked in various administrative capacities, primarily as a scheduling administrative sergeant and also as a watch commander, supervising three to 10 officers. Due to her seniority, she could select her work duties from the available duties.

Dios Marrero was employed by the airport authority beginning in approximately 1980. At that time, he was the airport authority controller and in charge of the financial aspects of the operation. In 1999, Marrero became the interim director of the airport authority. In 2000, Marrero became the permanent executive director and had overall responsibility for the management of the airport.

Dillon and Marrero began a close personal friendship in 2001. Initially, they had lunches and dinner together. They began dating in 2002 and continued dating through 2003. Marrero would frequently present Dillon with gifts, flowers and invitations to lunch and dinner.

In late 2003, Marrero sought an intimate relationship with Dillon. The plaintiff resisted the romantic relationship and began politely making excuses that she was not available for the companionship and romantic intimacy sought by Marrero. Marrero persisted in seeking a romantic relationship, and Dillon continued to resist.

Eventually, Marrero began avoiding the plaintiff whenever she, as the airport authority watch commander, needed to consult with him regarding police business. On Oct. 12, 2005, Dillon was on-duty, assigned to the administrative sergeant duties. She was seated on a chair at her work station and was attempting to move the chair while seated to an adjacent work station. As she did so, her uniform jacket became caught on the rear wheels of the chair, causing it to slide out from underneath her and flip over. She fell hard onto the floor, landed on her buttocks and injured her lower back. She sought medical treatment and went off work on Oct. 18.

In approximately March 2006, Marrero reportedly told Police Officer Joy Gomez that "Sheri Dillon f---ed me and no

one will get full salary disability benefits when off work for work related injuries." Marrero told Gomez that the problems with the plaintiff started at the beginning of 2004.

At approximately the same time, Dillon began treating with doctor Bruce Hector, as directed by the airport authority's workers' compensation insurance carrier, the State Compensation Insurance Fund. During the course of her treatment, Dillon gradually received fewer and fewer work restrictions. Eventually, her only work restriction was her inability to wear a heavy gun belt when she was in uniform. The doctor restricted Dillon to wearing a lightweight gun belt. Reportedly, the airport authority was unwilling to accommodate any of Dillon's work restrictions, despite the fact that they had granted the same accommodation to a previous injured worker.

In July, Marrero and the airport authority canceled Dillon's, as well as each member of the police department's, full salary disability benefits, which had been offered to injured on-duty police officers since 1984. In approximately the same month, Dillon and other members of the police department were given a pay raise; however, Marrero refused to allow Dillon to receive her pay raise. In approximately the same month, Dillon and other members of the police department were given pay raises retroactive to February 2006; however, Marrero refused to allow the plaintiff to receive her retroactive pay raise.

Dillon accepted a light-duty position by way of a "Notice of Offer of Modified or Alternative Work", in July, whereby she was offered the position of the Lost and Found Section administrator, which was represented to her to last for a 12-month period.

On Oct. 2, 2006, Marrero canceled Dillon's modified work position with Lost and Found and advised her that there were no positions for her to work in a limited or light duty capacity.

On Jan. 11, 2007, Dillon was advised by letter from the airport authority that she would be required to work full and unrestricted duty or be terminated from her employment, with the opportunity to apply for a position with a private company as a traffic control officer or a security identification display area guard at a very substantial reduction in pay. She was further advised that if she declined to accept the reduction in pay, her employment would be terminated due to her inability to fulfill the physical requirements of the position of police sergeant.

Dillon continued to take the position that she should be allowed to wear the lightweight gun belt, and the defendant continued to refuse.

On Feb. 1, 2007, Dillon was terminated.

INJURIES/DAMAGES *emotional distress*

Dillon claimed emotional distress. She sought general damages, special damages, attorney fees, an injunction against the defendants prohibiting them from disseminating any derogatory employment information to prospective employers and punitive damages against Marrero.