

VERDICTS & SETTLEMENTS

FRIDAY, JANUARY 17, 2025

VERDICT: \$1,550,000

EMPLOYMENT LAW

WHISTLEBLOWER RETALIATION Wrongful Termination

VERDICT: **\$1,550,000**

CASE/NUMBER: Jessica Lee v. Michael Wilkins, Louis Corrigan, Kelly Mazzucco, Kingsford Capital Management LLC, and Does 1-10, inclusive / CIVMSC18-00816

COURT/DATE: Contra Costa Superior / Dec. 11, 2024

JUDGE: Charles S. Treat

ATTORNEYS:

Plaintiff – Jan T. Aune
(The Law Office of Jan T. Aune)
Defendant – Michael A. Laurenson,
John V. Ricca (Gordon & Rees LLP)

EXPERTS:

PLAINTIFF — Michael D. Rosen CPA (economics); Martin Dirks (federal securities laws)

FACTS:

Plaintiff Jessica Lee worked as an analyst at Kingsford Capital Management, LLC (“Kingsford”), a hedge fund that performs short sell-

ing of securities. Plaintiff worked at Kingsford from 2009 until November 2015 when she was terminated. She brought various claims against Kingsford and individual defendants related to her employment and termination.

The individual defendants were dismissed prior to trial.

PLAINTIFF’S CONTENTIONS:

Plaintiff claimed was retaliated against and terminated after she reported that she reasonably believed that she was misclassified by defendant Kingsford Capital Management, LLC (“Kingsford”) as an independent contractor from 2009 to 2015 in violation of federal law; Kingsford was using soft dollars to pay employees misclassified as independent contractors in violation of Section 28(e) of the Securities Exchange Act of 1934; and Kingsford requested that Plaintiff publish false information about securities and/or publish information about securities under an assumed name in violation of the Exchange Act, Rule 10b-5 of the Exchange Act, and the anti-fraud provisions of federal securities laws. Plaintiff also contended that she had been sex-

ually and racially harassed during her employment at Kingsford and discriminated against by not being paid the same as male employees for similar work.

DAMAGES:

Past emotional distress damages and future emotional distress damages of \$350,000.

SETTLEMENT DISCUSSIONS:

Defendant made a CCP 998 offer of \$500,000 prior to trial.

RESULT:

Jury verdict of \$1,550,000 on plaintiff’s cause of action for California Labor Code section 1102.5 Whistleblower Retaliation against defendant Kingsford. The jury found for Kingsford on the harassment and discrimination claims.

The jury also found for punitive damages in Phase I. The jury awarded \$0 for punitive damages in Phase II.

FILING DATE: Nov. 17, 2017