DAVIS POLK & WARDWELL LLP 1 Superior Court Of California County Of Los Angeles Paul Spagnoletti (SBN 248355) 2 Heather M. Ward (pro hac vice) Jillian Rennie Stillman (pro hać vice) JUN 26 2014 3 450 Lexington Avenue New York, New York 10017 4 Telephone: (212) 450-4000 Facsimile: (212) 701-5800 5 PROSKAUER ROSE LLP 6 David M. Lederkramer (pro hac vice) Elise A. Yablonski (pro hac vice) Gerald W. Sawczyn (pro hac vice) 7 Eleven Times Square New York, NY 10036 8 Telephone: (212) 969-3000 9 Facsimile: (212) 969-2900 10 PROSKAUER ROSE LLP Lary Alan Rappaport (SBN 087614) Michael H. Weiss (SBN 110148) 11 2049 Century Park East, 32nd Floor Los Angeles, CA 90067 12 Telephone: (310) 557-2900 13 Facsimile: (310) 557-2193 14 Attorneys for Proskauer Rose LLP 15 SUPERIOR COURT OF THE STATE OF CALIFORNIA 16 FOR THE COUNTY OF LOS ANGELES 17 DR. GARY K. MICHELSON and KARLIN **CASE NO. BC384760** 18 HOLDINGS LIMITED PARTNERSHIP. (Assigned to the Hon. Mark Mooney, Dept. 68 for all purposes) 19 Plaintiffs, NOTICE OF MINUTE ORDER AND 20 **RULING DENYING PLAINTIFF'S** APPLICATION FOR 21 PROSKAUER ROSE LLP, and Does 1-20, RECONSIDERATION inclusive. 22 Defendants. Date: April 17, 2014 23 Trial Date: None 24 Complaint Filed: February 1, 2008 25 26 27 28

NOTICE OF MINUTE ORDER AND RULING DENYING PLAINTIFF'S APPLICATION FOR RECONSIDERATION

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TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on June 20, 2014, the above-entitled Court issued a Ruling on Plaintiff's Application for Reconsideration and a Minute Order denying plaintiffs' application for reconsideration argued on April 17, 2014. True and correct copies of the Ruling on Plaintiff's Application for Reconsideration and the Minute Order are attached and marked as, respectively, Exhibits A and B.

Dated: June 25, 2014

PROSKAUER ROSE TEP

Lary Alan Rappaport

Attorneys for Proskauer Rose LLP

6/27/2014

NOTICE OF MINUTE ORDER AND RULING DENYING PLAINTIFF'S APPLICATION FOR RECONSIDERATION

EXHIBIT A

ORIGINAL FILED

JUN 2 0 2014

LOS ANGELES SUPERIOR COURT

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SUPERIOR COURT OF THE STATE OF CALIFONIA

DR. GARY K. MICHELSON and KARLIN HOLDINGS LIMITED PARTNERSHIP,

Plaintiffs,

VS.

PROSKAUER ROSE, LLP and Does 1 through 20, inclusive,

Defendant

Case No. BC 384760

RULING ON PLAINTIFF'S APPLICATION FOR RECONSIDERATION

Defendant's motion for summary judgment/ or in the alternative summary adjudication was heard by the court on October 9, 2013. After due considering of the arguments of counsel, the court granted defendant's motion. On January 21, 2014, the court heard plaintiff's motion for reconsideration. The court found that plaintiff's motion failed to meet his burden under Code of Civil Procedure §1008 in that it failed to show new or different facts, circumstances or law in support of the motion. Nevertheless, pursuant to the court's inherent power to reconsider its prior rulings, the court set the matter for hearing and permitted further briefing. (See, Le Francois v. Goel (2005) 35 Cal.4.th 1094.) The court advised counsel that it would only consider

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evidence that was part of the record at the time of the hearing on the motion for summary judgment and that the court would not consider new evidence.

On April 17, 2014, the court heard arguments of counsel on plaintiff's application for reconsideration. After due consideration of those arguments, and the briefs submitted by the parties, the court rules as follows:

Plaintiff's request for reconsideration is denied.

A review of the evidence submitted in support of and in opposition to the motion for summary judgment reveals sufficient evidentiary support for the court's prior ruling. The primary issue in this case from which all plaintiffs' claims derive is the extent to which Dr. Michelson relied upon misrepresentations allegedly made by defendant Proskauer Rose. It is essential therefore, to determine exactly what those representations were and when were they received by plaintiff. The issue of plaintiff's reliance on Proskauer Rose was squarely raised by defendant in their motion for summary judgment. Indeed it was listed as Point One in defendant's motion. (Defendant's Motion for Summary Judgment, "Michelson Cannot Prove That He Relied on Proskauer, page 12). Defendant submitted sufficient evidence to establish that communications from defendant to plaintiff were filtered through plaintiff's attorney, Jeffer Mangle, that he never spoke to anyone from Proskauer, and that he relied upon parties other than Proskauer. (See defendant's Statement of Undisputed Facts Numbers 7, 8, 9, 10, 13, 15, 16, 17, 20, 22, 21, 42.) The burden was therefore shifted to plaintiff to establish plaintiff's reliance on representations of Proskauer. This plaintiff failed to do. The declaration submitted by Dr. Michelson in opposition to the motion states no more than he received drafts of Proskauer's opinion letters (Michelson Declaration ¶ 17). This assertion nevertheless begs the question as to what exactly did plaintiff rely upon. The evidence submitted established that Jeffer-Mangles reviewed the drafts and asked for revisions. It therefore became a significant foundational issue as to what exactly plaintiff ultimately received.

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Plaintiff steadfastly resisted all attempts to inquire as to what was transmitted from

Jeffer-Mangels to plaintiff based upon the attorney-client privilege. This court (and the Court of
Appeals) sustained plaintiff assertion of the attorney-client privilege, while also admonishing
plaintiff that continued assertion of the privilege may result in significant problems of proof.

There is a gap in the evidence as to what went out from Prokauer Rose and what was received
and relied upon by plaintiff. Plaintiff argues in its motion for reconsideration this gap is filled by
the presumption that the letters addressed to Dr. Michelson were in fact mailed to him at his
home address. This presumption is rebutted by Dr. Michelson's own testimony. Plaintiff
testified in deposition "Everything went through Jeffer-Mangles." Plaintiff also argues that
Jeffer-Mangles was no more than a conduit and simply passed on the opinion letters. This
assertion is contrary to the evidence submitted in connection with the motion for summary
judgment, and not otherwise supported by any admissible evidence.

The attorney client privilege is one of the most important rights in our system of jurisprudence. This court recognized the importance of this right in denying defendant's earlier motion to compel. However, in the course of litigation in becomes incumbent on parties to make choices when they have placed certain matters at issue. The most significant issues in this case are exactly what were the representations made by Proskauer that were relied upon by Michelson and when did Michelson received them. When challenged by way of motion for summary judgment, the court found plaintiff's evidence failed to establish these foundational issues.

Defendant to submit proposed order and judgment.

Dated this 20th day of June, 2014

MARK V. MOONEY ()
Judge of the Los Angeles

Superior Court

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EXHIBIT B

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

DATE: 06/20/14

DEPT. 68

HONORABLE Mark V. Mooney

A. WILLIAMS JUDGE

DEPUTY CLERK

HONORABLE

JUDGE PRO TEM

ELECTRONIC RECORDING MONITOR

T. SCOTT, C.A.

Deputy Sheriff

NONE

Reporter

8:30 am BC384760

Plaintiff

Counsel

NO APPEARANCES

DR GARY K MICHELSON ET AL VS

Defendant Counsel

PROSKAUER ROSE LLP

NATURE OF PROCEEDINGS:

COURT'S RULING ON MOTION FOR RECONSIDERATION

On April 17, 2014, the court heard argument of counsel on plaintiff's application for reconsideration. After due consideration of those arguments, and the briefs submitted by the parties, the court rules as follows:

Plaintiff's request for reconsideration is denied.

A Copy of the court's Ruling on Plaintiff's Application for Reconsideration is filed this date and sent to counsel as addressed below.

CLERK'S CERTIFICATE OF MAILING

I, the below-named Executive Officer/Clerk of the above-entitled court, do hereby certify that I am not a party to the cause herein, and that on this date I served the Ruling on Plaintiff's Application For Reconsideration and minute order dated 6-20-2014 upon each party or counsel named below by placing the document for collection and mailing so as to cause it to be deposited in the United States mail at the courthouse in Los Angeles, California, one copy of the original filed/entered herein in a separate sealed envelope to each address as shown below with the postage thereon fully prepaid,

> 1 of 3 DEPT. 68 Page

MINUTES ENTERED 06/20/14 COUNTY CLERK

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SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

DATE: 06/20/14

HONORABLE Mark V. Mooney

DEPT. 68

JUDGE

DEPUTY CLERK

HONORABLE

JUDGE PRO TEM

ELECTRONIC RECORDING MONITOR

Reporter

T. SCOTT, C.A.

Deputy Sheriff

NONE

NO APPEARANCES

A. WILLIAMS

8:30 am BC384760

Plaintiff

Counsel

DR GARY K MICHELSON ET AL

VS

PROSKAUER ROSE LLP

Defendant

Counsel

NATURE OF PROCEEDINGS:

in accordance with standard court practices.

Dated: 6-23-2014

Sherri R. Carter, Executive Officer/Clerk

Iliams, Judicial Assistant

Dale F. Kinsella Jennifer J. McGrath KINSELLA WEITZMAN ISER KUMP & ALDISERT LLP 808 Wilshire Blvd., 3rd Floor Santa Monica, California 90401

Paul Spagnoletti Heather Ward DAVIS POLK & WARDWELL, LLP 450 Lexington Avenue New York, New York 10017

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SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

DATE: 06/20/14

HONORABLE

JUDGE A. WILLIAMS

DEPT. 68

HONORABLE Mark V. Mooney

JUDGE PRO TEM

DEPUTY CLERK

Deputy Sheriff

ELECTRONIC RECORDING MONITOR

Reporter

8:30 am BC384760

T. SCOTT, C.A.

Plaintiff Counsel

NONE

NO APPEARANCES

DR GARY K MICHELSON ET AL VS

PROSKAUER ROSE LLP

Defendant Counsel

NATURE OF PROCEEDINGS:

David M. Lederkramer Elise A. Yablonski Gerald W. Sawczyn PROSKAUER ROSE LLP Eleven Times Square New York, New York 10036

Lary Alan Rappaport Michael H. Weiss PROSKAUER ROSE LLP 2049 Century Park East, 32nd Fl. Los Angeles, California 90067

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PROOF OF SERVICE

I am and was at the time of the service mentioned in this declaration employed in the City of Los Angeles and County of Los Angeles, California. I am over the age of 18 years and not a party to the within action. My business address is Proskauer Rose LLP, 2049 Century Park East, Suite 3200, Los Angeles, California 90067-3206.

On June 25, 2014, I served the foregoing document described as:

NOTICE OF MINUTE ORDER AND RULING DENYING PLAINTIFF'S APPLICATION FOR RECONSIDERATION

on the interested parties in this action by placing a true and correct copy thereof in a sealed envelope addressed as follows:

Dale F. Kinsella Patricia A. Millett Jennifer J. McGrath

KINSELLA WEITZMAN ISER KUMP & ALDISERT LLP

808 Wilshire Boulevard, 3rd Floor Santa Monica, California 90401 Telephone: (310) 566-9800

Facsimile: (310) 566-9850 Email: dkinsella@kwikalaw.com

pmillett@kwikalaw.com imcgrath@kwikalaw.com

团 (By Personal Service)

> By causing such envelope to be delivered by messenger to the office of the addressees.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on June 25, 2014, at Los Angeles, California.

PROOF OF SERVICE