

1 ROBERT V. PRONGAY (#270796)  
2 **GLANCY PRONGAY & MURRAY LLP**  
3 1925 Century Park East, Suite 2100  
4 Los Angeles, California 90067  
5 Telephone: (310) 201-9150  
6 Facsimile: (310) 201-9160  
7 Email: rprongay@glancylaw.com

8 *Attorneys for Plaintiff*

9 [Additional Counsel on Signature Page]

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11  
12 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
13 **FOR THE COUNTY OF LOS ANGELES**

14 DAVID SHUPAK, derivatively on behalf of  
15 SEMPRA ENERGY and SOUTHERN  
16 CALIFORNIA GAS COMPANY,

17 Plaintiff,

18 v.

19 DEBRA L. REED, JOSEPH A.  
20 HOUSEHOLDER, STEVEN D. DAVIS,  
21 JUSTIN C. BIRD, DENNIS V. ARRIOLA,  
22 JIMMIE I. CHO, DOUG SCHNEIDER,  
23 MICHAEL M. SCHNEIDER, SCOTT  
24 FURGERSON, GEORGE MINTER, ALAN  
25 L. BOECKMANN, JAMES G.  
26 BROCKSMITH, JR., KATHLEEN L.  
27 BROWN, PABLO A. FERRERO, WILLIAM  
28 D. JONES, WILLIAM G. OUCHI, WILLIAM  
C. RUSNACK, WILLIAM P. RUTLEDGE,  
LYNN SCHENK, JACK T. TAYLOR, and  
JAMES C. YARDLEY,

Defendants,

and

SEMPRA ENERGY and SOUTHERN  
CALIFORNIA GAS COMPANY,

Nominal Defendants.

CCW  
CPX  
A6035  
20013

**FILED**  
Superior Court of California  
County of Los Angeles

APR 19 2016

Sherri R. Carter, Executive Officer/Clerk  
By Cristina Grijalva Deputy  
Cristina Grijalva

Case No.: **BC 6 1 7 4 4 4**

**VERIFIED STOCKHOLDER  
DERIVATIVE COMPLAINT**

**JURY TRIAL DEMANDED**

CIT/CRSE: BC617444  
LEA/DEF#:

RECEIPT #: CCH195707077  
DATE PAID: 04/19/16 04:14 PM  
PAYMENT: \$1,435.00 310  
RECEIVED:  
CHECK: \$1,435.00  
CASH: \$0.00  
CHANGE: \$0.00  
CARD: \$0.00

VERIFIED STOCKHOLDER DERIVATIVE COMPLAINT

04/19/2016

1 Plaintiff David Shupak ("Plaintiff"), by and through his attorneys, submits this Verified  
2 Stockholder Derivative Complaint against the Individual Defendants (as defined herein) and alleges  
3 the following upon information and belief, except as to those allegations concerning Plaintiff, which  
4 are alleged upon personal knowledge. Plaintiff's information and belief is based upon, among other  
5 things, his counsel's investigation, which includes without limitation: (a) review and analysis of  
6 regulatory filings made by Sempra Energy and Southern California Gas Company ("Sempra" and  
7 "SoCalGas," respectively, or the "Companies"), with the United States Securities and Exchange  
8 Commission ("SEC"); (b) review and analysis of press releases and media reports issued by and  
9 disseminated by Sempra and SoCalGas; and (c) review of other publicly available information  
10 concerning Sempra and SoCalGas.

11 **NATURE OF THE ACTION**

12 1. This is a stockholder derivative action asserting claims for breach of fiduciary duty  
13 brought on behalf of nominal defendants Sempra and SoCalGas against certain officers of the  
14 Companies and members of Sempra's Board of Directors (the "Board").

15 2. Sempra operates as an energy services holding company worldwide. SoCalGas, a  
16 wholly owned Sempra subsidiary, transmits, distributes, and stores natural gas. SoCalGas serves a  
17 vast swath of California, and, as of December 31, 2015, had approximately 5.9 million customers.

18 3. SoCalGas operates the Aliso Canyon underground storage facility (the "Facility"),  
19 which houses up to 80 billion cubic feet of gas and is one of the largest such reservoirs in the  
20 country. The Facility was developed almost 80 years ago as an active gas well. It was converted to  
21 a natural gas storage facility in the 1970s. The Facility is less than one mile from the Los Angeles  
22 community of Porter Ranch and mere miles away from several other large neighborhoods.

23 4. On or about October 23, 2015, SoCalGas discovered a massive natural gas leak (the  
24 "Leak") at the Facility. SoCalGas waited until October 28, 2015 to report the Leak to the general  
25 public.

26 5. Over the next few months, the Leak continued to spew around one million barrels of  
27 natural gas into the air per day. Eventually, the California State Health Department ordered Sempra  
28

1 to expedite leak abatement and provide temporary relocation to any residents affected. On January  
2 6, 2016, California Governor Jerry Brown declared a state of emergency. The Leak was eventually  
3 capped on February 18, 2016, but not before becoming the largest methane leak in United States  
4 history. Many affected families still have not been properly relocated and the Companies are the  
5 subject of at least 83 negligence-related class actions, a securities class action, a state action, a city  
6 action, a criminal complaint, and a federal government investigation.

7 6. The Individual Defendants breached their fiduciary duties of loyalty and good faith  
8 by willfully engaging in the wrongdoing as alleged herein.

9 7. As a direct and proximate result of the Individual Defendants' breaches of fiduciary  
10 duties, the Companies have sustained damages as described below.

#### 11 JURISDICTION AND VENUE

12 8. This Court has jurisdiction over all causes of action asserted herein pursuant to  
13 California Constitution, Article VI, § 10, because this case is a cause not given by statute to other  
14 trial courts, as this derivative action is brought pursuant to §800 of the California Corporations Code  
15 to remedy the Individual Defendants' violations of law. The amount in controversy, exclusive of  
16 interest and costs, exceeds the jurisdictional minimum of this Court. A true copy of this Complaint  
17 was delivered to the Company, for the Board, prior to filing with the Court.

18 9. This Court has jurisdiction over each of the Individual Defendants named herein who  
19 are residents of California. This Court has specific jurisdiction over any of the named non-resident  
20 defendants. Each of the Individual Defendants are directors or officers of Sempra or SoCalGas,  
21 which are headquartered in California, and each of the Individual Defendants maintain sufficient  
22 minimum contacts with California to render jurisdiction by this Court permissible under traditional  
23 notions of fair play and substantial justice. Because the conduct complained of herein concerns the  
24 Aliso Canyon leak which occurred in this jurisdiction, Defendants' conduct was purposefully  
25 directed at California. Exercising jurisdiction over any non-resident defendant is reasonable under  
26 these circumstances.

10. Venue is proper in this Court because a substantial part of the events or omissions giving rise to the claims alleged occurred in Los Angeles, California, which is where the Aliso Canyon facility is located. Because a significant amount of the harm, as well as important evidence, is located within this jurisdiction, this is the best venue for this action. Each of the Individual Defendants has sufficient contact with this County that venue in this jurisdiction is appropriate. Several Defendants reside within this County such that exercise of jurisdiction by this Court is appropriate.

## **PARTIES**

11. Plaintiff is a stockholder of Sempra, was a stockholder of Sempra at the time of the wrongdoing alleged herein, and has been a stockholder of Sempra continuously since that time.

12. Nominal defendant Sempra is an energy services company whose operating subsidiaries provide gas and electricity to customers in North America. Sempra is incorporated under the laws of the State of California.

13. Nominal defendant SoCalGas, a regulated public utility, is a wholly owned subsidiary of Sempra. SoCalGas's principal place of business is in Los Angeles, California. SoCalGas is the nation's largest natural gas distribution utility. SoCalGas owns and operates a natural gas distribution, transmission and storage system that supplies natural gas throughout approximately 20,000 square miles of service territory extending from San Luis Obispo, California to the California-Mexico border. Sempra indirectly owns all of the common stock of SoCalGas.

14. Defendant Debra L. Reed (“Reed”) has served as Chief Executive Officer (“CEO”) and a director of Sempra since June 2011. She has served as Sempra’s Chairman of the Board since December 2012. She is also the chairman of the Board’s Executive Committee. She also served as president of Sempra subsidiary San Diego Gas & Electric (“SDG&E”) from 2000 to 2010, and as President and CEO of both SDG&E and SoCalGas from October 2006 to March 2010. Reed is named as a defendant in the securities class action based on the Leak pending in the Southern District of California. *See Plumley v. Sempra Energy, et al.*, 3:16 CV-00512-BEN-RBB (the “Securities Action”).

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1           15. Defendant Joseph A. Householder ("Householder") joined Sempra in 2001. He has  
2 served as Sempra's Executive Vice President and Chief Financial Officer since October 2011. He  
3 also served as Sempra's Vice President of Corporate Tax, Chief Tax Counsel, Senior Vice President,  
4 Controller, and Chief Accounting Officer from 2006 to 2011. Householder is also a defendant in the  
5 Securities Action.

6           16. Defendant Steven D. Davis ("Davis") joined Sempra in 1981. He has served as  
7 Sempra's Executive Vice President of External Affairs and Corporate Strategy since September  
8 2015. During his tenure with Sempra and its subsidiaries he has served in various executive  
9 positions. At Sempra, he has served as Senior Vice President of Corporate External Affairs, Vice  
10 President of Investor Relations and Corporate Communications, and Vice President of  
11 Communications and Community Partnerships. At SDG&E, he has served as President, Chief  
12 Operating Officer, Chief Financial Officer, and Principal Accounting Officer. At SoCalGas, he has  
13 served as Senior Vice President of Customer Service and External Relations, Chief Accounting  
14 Officer, and Chief Financial Officer. Additionally, at Pacific Enterprises (another Sempra  
15 Subsidiary), he has served as Senior Vice President, Chief Financial Officer, and Senior Vice  
16 President. Davis has been a Director of SoCalGas and SDG&E since September 22, 2011.

17           17. Defendant Justin C. Bird ("Bird") joined Sempra in 2004. Since September 2014, he  
18 has served as Sempra's Vice President of Compliance and Governance and Corporate Secretary. As  
19 Vice President, Bird directs Sempra's ethics and compliance programs worldwide. He coordinates  
20 and records all Board and committee meetings.

21           18. Defendant Dennis V. Arriola ("Arriola") has served as the chairman of SoCalGas  
22 since November 2015 and CEO and President since March 2014. He also served as Chief Operating  
23 Officer of SoCalGas from June 2012 to January 2014 and has previously served in a broad range of  
24 leadership roles for the Sempra family of companies dating back to at least 1994.

25           19. Defendant Jimmie I. Cho ("Cho") has served as SoCalGas's Senior Vice President of  
26 Gas Operations and System Integrity since at least June 2014. Prior to that, he served as Vice  
27 President of Human Resources, Diversity and Inclusion for SoCalGas.

1           20. Defendant Doug Schneider ("D. Schneider") has served as SoCalGas's Vice  
2 President of Engineering and System Integrity since at least February 2014. He joined SoCalGas as  
3 an engineer in 1991 and has worked at SoCalGas in an engineering role since that time except for  
4 1997 to 2001. D. Schneider is a registered professional engineer and is responsible for gas  
5 engineering and pipeline safety policies and programs.

6           21. Defendant Michael M. Schneider ("M. Schneider") has served as SoCalGas's Vice  
7 President of Operations Support and Chief Environmental Officer since at least February 2014. He  
8 holds the same positions at SDG&E. In these positions, he is responsible for facilities, fleet services,  
9 and environmental services for both Sempra subsidiaries. M. Schneider has served in the Sempra  
10 family of Companies since at least 1994.

11           22. Defendant Scott Furgerson ("Furgerson") has served as SoCalGas's Vice President of  
12 Gas Operations since February 2014. He holds the same position with SDG&E. In his position, he  
13 oversees all aspects of gas field operations including gas distribution, transmission, storage, and gas  
14 control for SoCalGas.

15           23. Defendant George Minter ("Minter") has served as SoCalGas's Regional Vice  
16 President of External Affairs and Environmental Strategy since at least February 2015. In this  
17 position, he leads SoCalGas's public affairs, environmental and energy policy, community relations,  
18 and media and employee communications efforts.

19           24. Defendant Alan L. Boeckmann ("Boeckmann") has served as a director of Sempra  
20 since February 2011. He has also served as a member of the Board's Corporate Governance  
21 Committee since at least March 2012.

22           25. Defendant James G. Brocksmith, Jr. ("Brocksmith") has served as a director of  
23 Sempra since October 2001. He has also served as a member of the Board's Audit Committee since  
24 at least March 2012 and the Environmental, Health, Safety and Technology Committee since at least  
25 March 2014. As a member of the Environmental, Health, Safety and Technology Committee he is  
26 responsible for overseeing the Company's programs and performance related to environmental,  
27 health, safety, and technology matters.

1           26. Defendant Kathleen L. Brown ("Brown") has served as a director of Sempra since  
2 June 2013. She has also served as a member of the Board's Corporate Governance Committee and  
3 Environmental, Health, Safety and Technology Committee since at least March 2014. As a member  
4 of the Environmental, Health, Safety and Technology Committee she is responsible for overseeing  
5 the Company's programs and performance related to environmental, health, safety, and technology  
6 matters. Brown is also the sister of California Governor Edmund Gerald "Jerry" Brown. Governor  
7 Brown's state agency, the State of California Division of Oil, Gas and Geothermal Resources is  
8 named as a defendant in the negligence class action captioned *Cupial, et al. v. Southern California*  
9 *Gas Company, et al.*, Cal. Sup. Ct. No. BC604592. Governor Brown also declared a state of  
10 emergency in the Aliso Canyon area because of the spill on January 6, 2016. This was dangerously  
11 late and was likely delayed by his familial relationship with Brown.

12           27. Defendant Pablo A. Ferrero ("Ferrero") has served as a director of Sempra since  
13 November 2013. He has also served as a member of the Board's Audit Committee and the  
14 Environmental, Health, Safety and Technology Committee since at least March 2014. As a member  
15 of the Environmental, Health, Safety and Technology Committee he is responsible for overseeing  
16 the Company's programs and performance related to environmental, health, safety, and technology  
17 matters. Ferrero serves on several other oil and gas company boards and has over 20 years of  
18 experience in the oil and gas industry.

19           28. Defendant William D. Jones ("Jones") has served as a director of Sempra since 1994.  
20 He has served as chairman of the Board's Corporate Governance Committee and a member of the  
21 Audit and Executive Committees since at least March 2015.

22           29. Defendant William G. Ouchi ("Ouchi") has served as a director of Sempra since June  
23 1998. He has served as a member of the Board's Compensation and Corporate Governance  
24 Committees since at least March 2012. Defendant Ouchi also served on the board of AECOM with  
25 Defendant William P. Rutledge ("Rutledge") from 2003 to 2016.

26           30. Defendant William C. Rusnack ("Rusnack") has served as a director of Sempra since  
27 2001. He has served as the Board's Lead Director since at least March 2007. He has served as  
28

1 chairman of the Board's Compensation Committee and as a member of the Corporate Governance  
2 Committee since at least March 2012.

3 31. Defendant Rutledge has served as a director of Sempra since 2001. He has served as  
4 chairman of the Board's Environmental, Health, Safety and Technology Committee (formerly  
5 Environmental and Technology Committee) and a member of the Compensation Committee since at  
6 least March 2012. As the chairman of the Environmental, Health, Safety and Technology  
7 Committee, he is responsible for overseeing the Company's programs and performance related to  
8 environmental, health, safety, and technology matters. He also served on the board of AECOM  
9 Technology with Defendant Ouchi from 2003 to 2016.

10 32. Defendant Lynn Schenk ("Schenk") has served as a director of Sempra since March  
11 2008. She has served as a member of the Board's Compensation Committee since at least March  
12 2013 and the Audit Committee and Environmental, Health, Safety and Technology Committee since  
13 at least March 2012. As a member of the Environmental, Health, Safety and Technology Committee  
14 she is responsible for overseeing the Company's programs and performance related to  
15 environmental, health, safety, and technology matters.

16 33. Defendant Jack T. Taylor ("Taylor") has served as a director of Sempra since  
17 February 2013. He has served as chairman of the Board's Audit Committee since at least July 2015.  
18 He has served as a member of the Board's Environmental, Health, Safety and Technology  
19 Committee since at least March 2014. As a member of the Environmental, Health, Safety and  
20 Technology Committee he is responsible for overseeing the Company's programs and performance  
21 related to environmental, health, safety, and technology matters.

22 34. Defendant James C. Yardley ("Yardley") has served as a director of Sempra since  
23 May 2013. He has served as a member of the Board's Audit Committee and the Environmental,  
24 Health, Safety and Technology Committee since at least March 2014. As a member of the  
25 Environmental, Health, Safety and Technology Committee he is responsible for overseeing the  
26 Company's programs and performance related to environmental, health, safety, and technology  
27 matters.



1 35. The defendants referenced above in ¶¶ 14-34 are referred to herein as the "Individual  
2 Defendants."

3 36. The defendants referenced above in ¶¶ 14 and 23-34 are sometimes referred to herein  
4 as the "Director Defendants."

5 **DUTIES OF THE INDIVIDUAL DEFENDANTS**

6 37. By reason of their positions as officers and/or directors of the Companies and because  
7 of their ability to control the business and corporate affairs of the Companies, the Individual  
8 Defendants owed Sempra and its stockholders the fiduciary obligations of good faith, loyalty, and  
9 candor and were and are required to use their utmost ability to control and manage the Companies in  
10 a fair, just, honest, and equitable manner. The Individual Defendants were and are required to act in  
11 furtherance of the best interests of Sempra and its stockholders so as to benefit all stockholders  
12 equally and not in furtherance of their personal interest or benefit. Each director and officer of the  
13 Companies owes to Sempra and its stockholders the fiduciary duty to exercise good faith and  
14 diligence in the administration of the affairs of the Companies and in the use and preservation of its  
15 property and assets, and the highest obligations of fair dealing.

16 38. SoCalGas is owned and controlled by Sempra. By reason of their positions as  
17 officers of SoCalGas, defendants Arriola, Cho, Doug Schneider, Michael Schneider, Furgerson, and  
18 Minter, owed and continue to owe SoCalGas and Sempra fiduciary obligations of good faith, loyalty,  
19 and candor and were and are required to use their utmost ability to control and manage SoCalGas in  
20 a fair, just, honest, and equitable manner. Defendants Arriola, Cho, Doug Schneider, Michael  
21 Schneider, Furgerson, and Minter were and are required to act in a manner so as not to cause harm to  
22 SoCalGas or Sempra and not in furtherance of their personal interest or benefit.

23 39. The Individual Defendants, because of their positions of control and authority as  
24 directors and/or officers of the Companies, were able to and did, directly and/or indirectly, exercise  
25 control over the wrongful acts complained of herein.

26 40. To discharge their duties, the officers and directors of the Companies were required to  
27 exercise reasonable and prudent supervision over the management, policies, practices, and controls  
28

1 of the Companies. By virtue of such duties, the officers and directors of the Companies were  
2 required to, among other things:

3 a. ensure that the Companies complied with their legal obligations and  
4 requirements, including acting only within the scope of their legal authority and disseminating  
5 truthful and accurate statements to the SEC, other government agencies, and the investing public and  
6 complying with all state and federal laws concerning natural gas storage and leak response;

7 b. conduct the affairs of the Companies in a lawful, efficient, business-like  
8 manner so as to make it possible to provide the highest quality performance of their business, to  
9 avoid wasting the Companies' assets, and to maximize the value of Sempra's stock;

10 c. properly and accurately guide investors and analysts as to the true financial  
11 condition of Sempra at any given time, including making accurate statements about Sempra's  
12 financial results and prospects, and ensuring that the Companies maintained an adequate system of  
13 financial controls such that Sempra's financial reporting would be true and accurate at all times;

14 d. remain informed as to how the Companies conducted their operations, and,  
15 upon receipt of notice or information of imprudent or unsound conditions or practices, make  
16 reasonable inquiry in connection therewith, and take steps to correct such conditions or practices and  
17 make such disclosures as necessary to comply with federal and state laws; and

18 e. ensure that the Companies were operated in a diligent, honest, and prudent  
19 manner in compliance with all applicable federal, state, and local laws, rules, and regulations.

20 41. Each Individual Defendant, as a director and/or officer, owed to Sempra and its  
21 stockholders the fiduciary duties of loyalty, good faith, and candor in the management and  
22 administration of the affairs of the Companies, as well as in the use and preservation of its property  
23 and assets. The conduct of the Individual Defendants complained of herein involves a knowing and  
24 culpable violation of their obligations as directors and officers of the Companies, the absence of  
25 good faith on their part, and a reckless disregard for their duties to Sempra and its stockholders that  
26 the Individual Defendants were aware or should have been aware posed a risk of serious injury to the  
27 Companies.



- 1 • Maintain an attitude of constructive skepticism, ask relevant, incisive, probing  
2 questions and engage in direct and forthright discussions with the board and  
3 management.
- 4 • Develop and maintain a broad understanding of the corporation's business and  
5 risk profile, its strategic, financial and operating opportunities and plans, and  
6 its internal control systems and disclosure controls and procedures, including  
7 environmental, and health and safety systems and procedures.
- 8 • Develop and maintain financial literacy including an understanding of the  
9 corporation's financial statements, the basic accounting principles critical to  
10 the corporation's business and how the choice of accounting principles, and  
11 the making of judgments and estimates, affect the corporation's reported  
12 financial results.
- 13 • Generally support the board's policy and business decisions and management  
14 in carrying out these decisions and demonstrate a strong commitment to the  
15 corporation, its business plans and creating and sustaining shareholder value.
- 16 • Understand and respect the roles of the board and management and observe  
17 the confidentiality of board deliberations, corporate plans and information.
- 18 • Avoid personal or other interests that conflict or may appear to conflict with  
19 or impair the director's ability to perform his or her responsibilities, promptly  
20 inform the board of any such interests and not participate in any decision  
21 affected by such interests.
- 22 • Observe corporate policies and guidelines regarding ethical behavior,  
23 interested directors, share ownership and other policies and guidelines adopted  
24 by the board, including the Code of Business Conduct and Ethics.
- 25 • Attend in person (absent exceptional circumstances or unless the meeting is  
26 announced to be a telephonic meeting) all board meetings and all meetings of  
27 committees to which he or she is appointed, be willing to serve on all  
28 committees, actively participate in meetings, review relevant materials,  
prepare for meetings and for discussions with management, take advantage of  
orientation and continuing education opportunities and otherwise educate  
himself or herself to discharge effectively his or her responsibilities and the  
expectations of the board.
- Balance prompt action with thorough deliberations, prioritize matters  
requiring attention, gather sufficient information, engage in open discussion,  
invite differing views, evaluate the benefits and risks of various courses of  
action and support the acceptance of prudent business risks to permit informed  
and timely decision making.
- View obligations to corporate and other constituencies in light of a primary  
duty to the company and its shareholders.

1 44. Sempra has also established a Code of Business Conduct and Ethics for Board of  
2 Directors and Senior Officers (the "Code"), which "sets forth written standards that are designed to  
3 deter wrongdoing and to promote":

- 4 • Honest and ethical conduct.
- 5 • Full, fair, accurate, timely and understandable disclosure in public
- 6 communications.
- 7 • Compliance with laws, rules and regulations.
- 8 • Prompt internal reporting of violations of the code.
- 9 • Accountability for adherence to the code.

10 45. The Code applies to "each member of the board of directors of Sempra Energy and to  
11 each officer of Sempra Energy and its publicly held subsidiaries."

12 46. Additionally, the Code states:

13 II. Encouraging Ethical Behavior

14 Directors and officers are expected to observe and to promote high standards of  
15 integrity and ethical behavior in the conduct of the company's business. Officers  
16 should actively encourage all employees to talk to supervisors, managers or other  
17 appropriate company personnel when in doubt about the best course of action in a  
18 particular situation. They should also actively encourage all employees to report  
19 violations of laws, rules or regulations or other unethical conduct to appropriate  
20 company personnel. In addition they should assure employees the company will not  
21 permit retaliation for reports that are made in good faith.

19 \* \* \*

20 3.5 Compliance with Law, Rules and Regulations

21 Directors and officers should endeavor to comply and to cause the company to  
22 comply with all applicable laws, rules and regulations relating to the company. They  
23 are prohibited from buying or selling securities of the Sempra Energy Companies in  
24 violation of insider trading or other securities laws.

24 \* \* \*

25 V. Public Communications

26 The company is committed to providing public information about the company that is  
27 accurate, objective, fair, relevant, timely and understandable. The chief executive,  
28 chief financial and chief accounting officers of Sempra Energy and its publicly held

1 subsidiaries are responsible for designing and maintaining and for evaluating the  
2 effectiveness of disclosure controls and procedures.

3 These controls and procedures are intended to provide reasonable assurance that  
4 required Securities and Exchange Commission filings are timely filed and that these  
5 reports and other public communications do not contain any untrue statement of a  
6 material fact or omit to state a material fact required to be stated therein or necessary  
7 to make the statements made, in the light of the circumstances under which they were  
8 made, not misleading.

9 **SPECIFIC DUTIES OF THE ENVIRONMENTAL, HEALTH, SAFETY AND TECHNOLOGY COMMITTEE**

10 47. The Board adopted a Charter for the Environmental, Health, Safety and Technology  
11 Committee (defendants Rutledge, Brocksmith, Brown, Ferrero, Schenk, Taylor, and Yardley) on  
12 September 5, 2000. The most recent amendments to the Charter were on November 9, 2015 (at least  
13 two weeks after the Leak had started). These amendments primarily concerned cybersecurity, but  
14 this committee is now charged with “monitor[ing] compliance with internal policies and goals as  
15 well as applicable external laws and regulations.” In the prior version, amended November 12,  
16 2013, the committee was charged with “ensur[ing]” similar compliance. This new duty to monitor is  
17 a step in the right direction, but greater corporate governance reforms are needed within the  
18 Companies to prevent future events like the Leak.

19 48. Another entirely new provision of the updated Environmental, Health, Safety and  
20 Technology Committee Charter states:

21 The Company’s operational performance can affect the environment as well as the  
22 health and safety of employees and other stakeholders in the communities we serve  
23 and beyond. Consequently this Committee’s focus on environmental, health, safety  
24 and technology issues is consistent with the board’s oversight role of corporate  
25 responsibility and stewardship.

26 49. The Environmental, Health, Safety and Technology Committee Charter further  
27 requires the committee to perform a “review of environmental, health and safety laws, regulations  
28 and developments at the global, national, regional and local level and evaluation of ways to address  
these matters as part of the Company’s business strategy and operations.” The members of the  
Environmental, Health, Safety and Technology Committee, defendants Rutledge (chair),  
Brocksmith, Brown, Ferrero, Schenk, Taylor, and Yardley, have additional specific duties to Semptra  
to oversee environmental, health, safety, and technological matters.

1           50. To that end, the Environmental, Health, Safety and Technology Committee, as laid  
2 out in its charter, has the following responsibilities, among others:

- 3           • Review the status of the Company's environmental, health and safety  
4 processes, programs and performance, including processes used by the  
5 business units' subsidiary boards and the Corporate Compliance Committee to  
6 monitor compliance with internal policies and goals as well as applicable  
7 external laws and regulations.
- 8           • Review the role of the Company's Corporate Compliance Committee as well  
9 as the compliance committees at each business unit in implementing programs  
10 at each business unit.
- 11          • Review current and emerging environmental, health and safety matters,  
12 including issues raised through internal audits, and discuss the management of  
13 such risks and any related corrective actions taken by the Company.
- 14          • Report to the board on environmental, health and safety matters affecting the  
15 Company.
- 16          • Review with management the effective implementation of technology to  
17 improve environmental, health and safety performance and review effective  
18 implementation of compliance procedures relating to cybersecurity, privacy  
19 and infrastructure security.
- 20          • Review with management any fatality, serious injury or illness involving an  
21 employee, customer, contractor or third-party in connection with Company  
operations, facilities or projects, and discuss management's response to such  
events. Review with management any material noncompliance with health,  
safety and environmental laws and regulations, and related notice of violations  
and/or fines and discuss management's response to such events.
- 22          • Review stockholder proposals related to environmental, health, safety and  
sustainability and recommend responses to the board on such proposals with  
input from management.

#### 22   **SPECIFIC DUTIES OF THE AUDIT COMMITTEE**

23           51. Finally, the Audit Committee Charter, adopted December 2, 2003 with its latest  
24 amendments on February 18, 2011, states that the Audit Committee of the Board (defendants  
25 Brocksmith, Ferrero, Jones, Schenk, Taylor, and Yardley) is to ensure "compliance with legal and  
26 regulatory requirements" and "will discuss with management the corporation's policies with respect  
27 to risk assessment and risk management, significant financial risk exposures and the actions  
28 management has taken to limit, monitor or control such exposures."

## SUBSTANTIVE ALLEGATIONS

### A. BACKGROUND

52. Sempra was created in 1998 when Pacific Enterprises, the parent company of SoCalGas, merged with Enova Corporation, the parent company of SDG&E. Pacific Enterprises and Enova Corporation each had histories as utility companies dating back over a century. Today, Sempra and its various subsidiaries invest in, develop, and operate energy infrastructure, and provide gas and electrical services to customers across North and South America.

53. The Facility is an oil field and natural gas storage facility in the Santa Susana Mountains in Los Angeles County, California. It is north of the Porter Ranch neighborhood, a part of the City of Los Angeles. The Facility was developed beginning in 1938 and peaked as an oil producer around 1955. With a maximum capacity of 80 billion cubic feet and comprising 115 injection/withdrawal wells, the Facility is one of the largest natural gas reservoirs in the United States.

54. The Facility is located less than one mile from the Los Angeles community of Porter Ranch (30,000 residents) and mere miles from other communities, including Chatsworth (40,000 residents), Granada Hills (50,000 residents), and Northridge (60,000 residents).

55. The Facility has been owned by SoCalGas since 1971. One of its depleted oil and gas producing formations, the Sesnon-Frew Zone, was converted by SoCalGas into a gas storage reservoir in 1973. Today, SoCalGas transports natural gas to the facility from other locations, then injects it underground for storage. Despite the fact that the Facility houses gas for distribution to nearly 22 million customers in the Los Angeles Basin, much of its infrastructure dates back to the 1930s and 1940s.

56. As part of the Facility's conversion in the 1970s from oil production to oil storage, a faulty safety valve in Well SS-25 of the Sesnon-Frew Zone was removed in 1979 and never replaced. SoCalGas told state regulators that it had replaced the safety valve, but in reality opted not to because it was not a "critical well." Critical wells are defined by state law as those within 300 feet of homes. The safety valve would not have prevented the Leak, but it would have been essential



1 in stopping the fumes from the Leak from pouring into the air after the Leak began (at the latest  
2 October 23, 2015).

3 57. The underground reservoir is connected to the surface via a seven inch diameter gas  
4 pipe surrounded by 11.75 inches of concrete casing. It is likely that this casing cracked, causing a  
5 leak in the pipe. Relying on almost 80 year-old concrete to contain one of the largest oil reservoirs  
6 in the nation in the seismically treacherous land of southern California is the epitome of a bad idea.

7 **B. THE LEAK**

8 58. Sometime before October 2015, a break occurred along the length of Well SS-25 in  
9 the Sesnon-Frew Zone, causing natural gas to seep into the atmosphere. The failed well has a depth  
10 of over 8,500 feet. The safety valve would have been able to reroute gas from the reservoir to a  
11 relief well. Instead the gas was able to escape through a crack in the pipe without an easy fix. The  
12 escaping gas was comprised of methane along with numerous other toxic gases, including toluene,  
13 benzene, hydrogen sulfides, sulfur dioxide, ethylbenzene, and xylenes posing significant threats to  
14 the environment and residents of the region.

15 59. Not only did the Facility house a maximum of 80 billion cubic feet of gas, but  
16 SoCalGas injected 5.7 billion cubic feet in September 2015 and was on pace to inject a similar  
17 amount in October 2015.

18 60. Since the leak was discovered on October 23, 2015, the California Air Resources  
19 Board ("CARB") has monitored the amount of natural gas entering the air. CARB measured 97,000  
20 pounds per hour of methane on November 7, 2015, which, while slowing, continued to pour out at a  
21 rate of about 66,000 pounds per hour as of December 23, 2015. The latest readings prior to the Leak  
22 being sealed showed a rate of about 45,000 pounds per hour on February 4, 2016.

23 61. Experts have opined that the release of such levels of methane, a greenhouse gas  
24 several times more powerful than carbon dioxide, will contribute significantly to global warming.  
25 The Environmental Defense Fund has estimated that the leak pumped the equivalent of 7.5 million  
26 metric tons of carbon into the air. In an effort to improve the environment, California had reduced  
27 statewide greenhouse emissions by 1.5 million metric tons in 2013, the most recent year of data,

1 under its vaunted program to combat climate change. With the Leak alone, Sempra is erasing years  
2 of the progress made under California's effort to overhaul its energy industry, a program that has  
3 cost consumers tens of billions of dollars since 2006.

4 62. On February 10, 2016, *Bloomberg.com* reported that Steve Conley, an atmospheric  
5 scientist and a pilot, was hired by the State of California to fly over the Aliso Canyon site to measure  
6 and analyze the Leak's methane plume. As a result of his reports:

7 the state would estimate that in less than a month, Aliso released more than 68 million  
8 pounds of methane. Since then, it has leaked 132 million pounds more, the state says,  
9 based on Conley's subsequent flights. That makes Aliso potentially the largest-ever  
10 single release of methane into the atmosphere—at least, the largest ever recorded.  
Even as the U.S. pledges to reduce greenhouse gas emissions, methane leaks large  
and small are going unaddressed.

11 63. The Companies claim to have discovered the Leak on October 23, 2015. In stark  
12 violation of state and federal laws for widespread toxic contaminations, they neglected to disclose  
13 the Leak until October 28, 2015. On October 23, 2015, local residents submitted numerous reports  
14 of noxious odors in the area. During the interim, Sempra denied the leak in the press and even sent  
15 employees door-to-door in the adjoining communities informing residents that everything was okay.

16 64. Residents quickly began experiencing severe symptoms of gas exposure such as  
17 neurological, gastrointestinal, and respiratory ailments, dizziness, light-headedness, nausea,  
18 vomiting, headaches, and nosebleeds.

19 65. On November 19, 2015, the California State Health Department ordered Sempra to  
20 expedite leak abatement and to provide temporary relocation to any resident affected by the gas leak.  
21 On December 4, 2015, around six weeks after it publicly acknowledged the Leak, Sempra belatedly  
22 began the slow process of constructing a relief well to cap the Leak.

23 66. On February 11, 2016, the relief well intercepted the base of the leaking well and the  
24 process of plugging the well began in earnest.

25 67. On February 18, 2016, after at least 118 days of one million barrels per day of natural  
26 gas escaping from the Facility and into the air, the Leak was permanently capped. The Leak is the  
27 largest methane leak in United States history.

1 C. THE AFTERMATH

2 68. After the Leak began, stories of Sempra and SoCalGas management incompetence in  
3 the buildup to the Leak began to emerge.

4 69. On December 15, 2015, Rodger Schwecke, a SoCalGas executive revealed that the  
5 safety valve for Well SS-25 had been removed in 1979. Sempra never replaced the valve despite  
6 telling officials it had in 1979, and continued to fail to do so even though five years ago it requested  
7 and obtained regulatory permission to increase rates to replace leaking valves at the Facility. These  
8 additional funds from increased rates lined the pockets of the Companies' executives rather than the  
9 crucial pipes meant to hold in toxic gas. For instance, defendant Reed received \$16,893,225 in  
10 compensation for fiscal year 2014.

11 70. Following the Health Department's order to relocate the thousands of nearby  
12 residents affected by the Leak, Sempra responded in an unacceptably slow manner. On December  
13 22, 2015, the Los Angeles City Attorney filed an *ex parte* application for a temporary restraining  
14 order seeking to compel Sempra to improve its relocation efforts. The City Attorney's application  
15 described situations wherein Sempra had failed to provide timely relocation, provide suitable  
16 alternative housing, properly accommodate persons with disabilities, and properly accommodate  
17 persons and families with pets.

18 71. By January 6, 2016, Sempra reported in a Form 8-K filed with the SEC that  
19 approximately 2,500 households had been temporarily relocated and over 1,460 additional requests  
20 for relocation had not yet been fulfilled.

21 72. Although the government eventually stepped in to force Sempra's hand in its resident  
22 relocation and leak remediation efforts, government action was likely delayed due to the Board's  
23 intimate connections with high-ranking state officials. It is no secret that defendant Brown is  
24 California Governor Jerry Brown's sister. Defendant Brown's father, Edmund G. "Pat" Brown also  
25 served as California's governor. Defendant Brown has also served on the Los Angeles City Board  
26 of Education and as California State Treasurer. Defendant Schenk served as a member of the United  
27 States House of Representatives and as a member of its Energy and Commerce Committee.  
28 Defendant Schenk also served in various positions in the cabinet of former California Governor Gray

1 Davis, including Chief of Staff. These and other deeply-rooted connections allowed the Board to  
2 prevent Governor Jerry Brown from declaring a state of emergency until January 6, 2016.

3 73. It was not until a state of emergency was declared that schools were officially closed  
4 in the area and parents were allowed to remove their children from the classroom without  
5 disciplinary repercussions. Prior to the state of emergency, residents of the surrounding  
6 communities have alleged in a class action a complaint that they were told by the Los Angeles  
7 Unified School District that their children would be marked absent and receive an unexcused  
8 absence if they were held out of school due to the Leak. Further, the school district informed parents  
9 that the area schools were safe from contaminants. *See Cupial, et al. v. Southern California Gas*  
10 *Company*, Los Angeles Cty. Sup. Ct., No. BC604592.

11 74. On February 25, 2016, Judge Elihu M. Berle of the Los Angeles Superior Court  
12 ordered a 22-day extension of the time that SoCalGas must continue to pay for temporary relocation  
13 housing for affected residents. The temporary housing costs the Companies around \$2 million per  
14 day and will last until at least April 27, 2016.

15 **DAMAGES TO SEMPRA AND SOCALGAS**

16 75. As a result of the Individual Defendants' wrongful conduct, the Companies allowed  
17 the Leak to begin, failed to repair the Leak in a timely manner, failed to provide for the residents  
18 affected by the Leak in an adequate and timely manner, and disseminated false and misleading  
19 statements. All of these actions have devastated Sempra and SoCalGas's credibility. The  
20 Companies have been, and will continue to be, severely damaged and injured by the Individual  
21 Defendants' misconduct.

22 76. By causing or allowing the Leak, the Individual Defendants have caused the  
23 Company to violate numerous California statutes, including the California Unfair Competition Law;  
24 the California Health and Safety Code § 41700, prohibiting discharge of air contaminants that cause  
25 annoyance to the public, and § 25510, requiring reporting of the release of hazardous material; as  
26 well as the California Government Code § 12607 for equitable relief for the protection of natural  
27  
28

resources; Los Angeles County Code § 12.56.030; and Title 19 California Code of Regulations § 2703(a).

77. Indeed, the Individual Defendants' actions as alleged herein, have subjected Sempra and SoCalGas to at least 83 negligence-related lawsuits, criminal charges, the Securities Action, several lawsuits brought by city and state agencies, and a federal government investigation. Legal and settlement fees from these lawsuits will likely cost the Companies billions of dollars. Sempra stated in its Form 10-K filed on February 26, 2016 that:

The costs of defending against these civil and criminal lawsuits and cooperating with these investigations, and any damages and civil and criminal fines and other penalties, if awarded or imposed, could be significant and to the extent not covered by insurance, or if there were to be significant delays in receiving insurance recoveries, could have a material adverse effect on SoCalGas' and Sempra Energy's cash flows, financial condition and results of operations.

78. Additionally, Sempra reported that, as of December 31, 2015, SoCalGas had expended \$50 million to address the leak and mitigate the environmental and community impact. Sempra also reported that the value of the gas lost to that date was \$250 to \$300 million. On January 28, 2016, the California State Senate voted unanimously to ban SoCalGas from using 1950s era wells in Aliso Canyon until they can be certified as safe. This will cause the Companies to expend untold monies to prove that the Facility is safe or to build new facilities for gas storage for the Los Angeles area.

79. Moreover, these actions have irreparably damaged Sempra's corporate image and goodwill. For the foreseeable future, Sempra will suffer from what is known as the "liar's discount," a term applied to the stocks of companies who have been implicated in illegal behavior and have misled the investing public, such that Sempra's ability to raise equity capital or debt on favorable terms in the future is now impaired. The Companies will also have a "black-eye" similar to that of British Petroleum after the Deepwater Horizon leak that could damage their standing in the American business community indefinitely.

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1 and to ensure that the Board's duties were being discharged in good faith and with the required  
2 diligence and due care. Instead, the Director Defendants knowingly and/or with reckless disregard  
3 reviewed, authorized and/or caused the actions described herein to occur damaging the Companies,  
4 the environment, and the physical well-being of nearby residents.

5 89. In its public filings, including Forms 10-K filed with the SEC and signed by the  
6 Director Defendants, Sempra commonly acknowledges that its natural gas storage wells are  
7 dangerous and pose significant risks to the environment and to local communities. Further, the  
8 Forms 10-K disclose that well failures could cost the Company catastrophic amounts of money. The  
9 Director Defendants' failure to take necessary and appropriate steps to prevent and then timely  
10 rectify the Leak has resulted in the Director Defendants facing a substantial likelihood of liability. If  
11 the Director Defendants were to bring a suit on behalf of Sempra to recover damages sustained as a  
12 result of this misconduct, they would expose themselves to significant liability. This is something  
13 they will not do. For this reason demand is futile.

14 **DEFENDANT REED LACKS INDEPENDENCE**

15 90. Sempra has conceded in its SEC filings that defendant Reed is not an independent  
16 director of the Company. In its March 26, 2015 Proxy Statement, Sempra states that the Board  
17 conducted an annual review of the independence of the directors and director nominees and  
18 determined all directors "other than Debra L. Reed who is also an executive officer of the company"  
19 are independent.

20 91. In addition to this lack of independence, Reed is not disinterested for purposes of  
21 demand futility because her principal occupation is CEO of Sempra. According to the Company's  
22 SEC filings, in 2012, 2013, and 2014, Reed received total compensation of \$12,203,902, \$9,792,288,  
23 and \$16,893,225, respectively.

24 92. Defendant Reed is also incapable of considering a demand to commence and  
25 vigorously prosecute this action because she faces a substantial likelihood of liability as she is a  
26 named defendant in the Securities Action and as a likely Doe in each of the negligence-related class  
27 actions.

1 **DEFENDANTS RUTLEDGE, BROCKSMITH, BROWN, FERRERO, SCHENK, TAYLOR, AND YARDLEY AS**  
2 **ENVIRONMENTAL, HEALTH, SAFETY AND TECHNOLOGY COMMITTEE MEMBERS ARE NOT**  
3 **DISINTERESTED AS THEY FACE A SUBSTANTIAL LIKELIHOOD OF LIABILITY**

4 93. From the start of the Leak to the present, defendants Rutledge (chair), Brocksmith,  
5 Brown, Ferrero, Schenk, Taylor, and Yardley served as members of the Environmental, Health,  
6 Safety and Technology Committee. Pursuant to the committee's charter, the members were and are  
7 responsible for, *inter alia*, oversight of the Companies' "compliance with internal policies and goals  
8 as well as applicable external laws and regulations." Defendants Rutledge, Brocksmith, Brown,  
9 Ferrero, Schenk, Taylor, and Yardley breached their fiduciary duties of due care, loyalty, and good  
10 faith, because the Environmental, Health, Safety and Technology Committee, *inter alia*, allowed or  
11 permitted the Leak to occur and precipitated the Companies' inadequate response in its aftermath,  
12 thereby injuring countless nearby residents, wasting substantial Sempra resources, and causing the  
13 Companies to expend billions of dollars in legal expenses and fines. Additionally, each of the  
14 negligence-related class actions names several "Does," with yet unknown identities, as potential  
15 defendants. It is highly likely that the members of the Environmental, Health, Safety and  
16 Technology Committee will replace those "Does" as named defendants in those lawsuits. Therefore,  
17 defendants Rutledge, Brocksmith, Brown, Ferrero, Schenk, Taylor, and Yardley each face a  
18 substantial likelihood of liability for their breach of fiduciary duties and any demand upon them is  
19 futile.

20 **DEFENDANTS BROCKSMITH, FERRERO, JONES, SCHENK, TAYLOR, AND YARDLEY AS AUDIT**  
21 **COMMITTEE MEMBERS ARE NOT DISINTERESTED AS THEY FACE A SUBSTANTIAL LIKELIHOOD OF**  
22 **LIABILITY**

23 94. From the start of the leak to the present, defendants Brocksmith (chair), Ferrero,  
24 Jones, Schenk, Taylor, and Yardley served as members of the Audit Committee. Pursuant to that  
25 committee's charter, the members of the Audit Committee were and are responsible for, *inter alia*,  
26 ensuring Sempra's "compliance with legal and regulatory requirements" as well as "discuss[ing]  
27 with management the corporation's policies with respect to risk assessment and risk management,  
28 significant financial risk exposures and the actions management has taken to limit, monitor or  
control such exposures." Defendants Brocksmith, Ferrero, Jones, Schenk, Taylor, and Yardley



1 breached their fiduciary duties of due care, loyalty, and good faith because the Audit Committee,  
2 *inter alia*, allowed or permitted the Company to disseminate false and misleading statements in  
3 Sempra's SEC filings, public statements and outreach, and other disclosures. Additionally, each of  
4 the negligence-related class actions names several "Does," with yet unknown identities, as potential  
5 defendants. It is highly likely that the members of the Audit Committee will replace those "Does" as  
6 named defendants in those lawsuits. Therefore, defendants Brocksmith, Ferrero, Jones, Schenk,  
7 Taylor, and Yardley each face a substantial likelihood of liability for their breach of fiduciary duties  
8 and any demand upon them is futile.

9 **DEMAND IS FUTILE AS TO SEVERAL DIRECTOR DEFENDANTS FOR THE FOLLOWING ADDITIONAL**  
10 **REASONS**

11 95. In addition to the lack of disinterestedness for insiders and key committee members,  
12 several directors are not disinterested for additional reasons:

13 a. Defendants Brocksmith and Taylor each had extensive histories at KPMG  
14 LLP prior to their board tenures at Sempra. Defendant Brocksmith was employed by KPMG for 29  
15 years and worked his way up to deputy chairman and Chief Operating Officer of United States  
16 operations. Defendant Taylor was employed by KPMG for over 35 years. Taylor Chief Operating  
17 Officer of Americas and Executive Vice Chairman of U.S. Operations from 2005 to 2010 and Vice  
18 Chairman of U.S. Audit and Risk Advisory Services from 2001 to 2005. During their long and  
19 prosperous histories at KPMG, Brocksmith and Taylor likely developed a strong personal  
20 relationship with one another and therefore could not be disinterested when determining whether to  
21 prosecute an action against the other.

22 b. Similarly, defendants Ouchi and Rutledge served concurrently as directors of  
23 AECOM Technology. Ouchi was a director of AECOM from May 2003 to March 2, 2016 and  
24 Rutledge has been a director of AECOM since November 1998. During their tenure as directors on  
25 the boards of both AECOM and Sempra, defendant Ouchi and Rutledge have likely developed a  
26 strong personal relationship with one another and therefore could not be disinterested when  
27 determining whether to prosecute an action against the other.

1 **DEMAND IS FUTILE AS TO ALL DIRECTOR DEFENDANTS FOR THE FOLLOWING ADDITIONAL**  
2 **REASONS**

3 96. If the Companies' current officers and directors are protected against personal  
4 liability for their breaches of fiduciary duties alleged herein by Directors & Officers Liability  
5 Insurance ("D&O Insurance"), they caused the Company to purchase that insurance for their  
6 protection with corporate funds, *i.e.*, monies belonging to the stockholders. However, Plaintiff is  
7 informed and believes that the D&O Insurance policies covering the Individual Defendants in this  
8 case contain provisions that eliminate coverage for any action brought directly by Sempra or  
9 SoCalGas against the Individual Defendants, known as the "insured versus insured exclusion."

10 97. As a result, if the Director Defendants were to sue themselves or certain of the  
11 officers of the Companies, there would be no D&O Insurance protection, and thus, this is a further  
12 reason why they will not bring such a suit. On the other hand, if the suit is brought derivatively, as  
13 this action is brought, such insurance coverage exists and will provide a basis for the Company to  
14 effectuate recovery. Therefore, the Director Defendants cannot be expected to file the claims  
15 asserted in this derivative lawsuit because such claims would not be covered under the Company's  
16 D&O Insurance policy.

17 98. Under the factual circumstances described herein, the Individual Defendants are more  
18 interested in protecting themselves than they are in protecting the Companies by prosecuting this  
19 action. Therefore, demand on Sempra and its Board is futile and is excused. The Companies have  
20 been and will continue to be exposed to significant losses due to the Individual Defendants'  
21 wrongdoing. Yet, the Director Defendants have not filed any lawsuits against themselves or others  
22 who were responsible for the wrongful conduct. Thus, the Director Defendants are breaching their  
23 fiduciary duties to Sempra and face a sufficiently substantial likelihood of liability for their breaches,  
24 rendering any demand upon them futile.

25 **COUNT I - BREACH OF FIDUCIARY DUTY**

26 99. Plaintiff incorporates by reference all preceding and subsequent paragraphs as if fully  
27 set forth herein.  
28

100. The Individual Defendants each owed Sempra, SoCalGas, and their stockholders the fiduciary duties of loyalty, good faith, candor and due care in managing and administering the Companies' affairs.

101. The Individual Defendants were required to exercise reasonable and prudent supervision over the management, practices, controls, and financial and regulatory affairs of Sempra and SoCalGas.

102. The Individual Defendants breached their fiduciary duties owed to Sempra and SoCalGas and their stockholders by willfully, recklessly, and/or intentionally failing to perform their fiduciary duties. They caused the Companies to waste valuable assets and unnecessarily expend corporate funds. They also failed to properly oversee the Companies' business, rendering them personally liable to the Companies.

103. Each of the Individual Defendants had actual or constructive knowledge that inadequate safety controls were in place to prevent the Leak, causing harm to the Companies, nearby residents, and the environment. The Individual Defendants breached their fiduciary duties by knowingly causing and/or recklessly allowing the Company to make false and misleading statements regarding the extent of the Leak and its remediation as alleged herein.

104. As a direct and proximate result of the Defendants' breaches of their fiduciary duties of loyalty, good faith, candor, and due care, as alleged herein, Sempra and SoCalGas have sustained, and continue to sustain, significant damages. As a result of the misconduct alleged herein, the Individual Defendants are liable to the Companies.

## PRAYER FOR RELIEF

WHEREFORE, Plaintiff demands judgment as follows:

A. Declaring that Plaintiff may maintain this derivative action on behalf of Sempra and SoCalGas and that Plaintiff is a proper and adequate representative of the Companies;

B. Awarding the amount of damages sustained by the Companies as a result of the Individual Defendants' breaches of fiduciary duties;

1 C. Granting appropriate equitable relief to remedy Individual Defendants' breaches of  
2 fiduciary duties, including, but not limited to the institution of appropriate corporate governance  
3 measures;

4 D. Awarding to Plaintiff the costs and disbursements of the action, including reasonable  
5 attorneys' fees, accountants' and experts' fees and costs and expenses; and

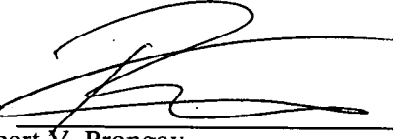
6 E. Granting such other and further relief as the Court deems just and proper.

7 **JURY DEMAND**

8 Plaintiff hereby demands a trial by jury.

9  
10 Dated: April 19, 2016

**GLANCY PRONGAY & MURRAY LLP**

11  
12 By   
13 Robert V. Prongay  
14 1925 Century Park East, Suite 2100  
15 Los Angeles, CA 90067  
16 Tel.: (310) 201-9150  
17 Fax: (310) 201-9160  
18 Email: rprongay@glancylaw.com

19 Jeffrey H. Squire  
20 Lawrence P. Eigel  
21 J. Brandon Walker  
22 Todd H. Henderson  
23 **BRAGAR EAGEL & SQUIRE, P.C.**  
24 885 Third Avenue, Suite 3040  
25 New York, NY 10022  
26 Tel: (212) 355-4648  
27 Fax: (212) 486-0462

28 *Attorneys for Plaintiff*

### VERIFICATION

I, David Shupak, hereby verify that I have authorized the filing of the attached Verified Stockholder Derivative Complaint, that I have reviewed the Verified Stockholder Derivative Complaint and that the facts therein are true and correct to the best of my knowledge, information and belief. I declare under penalty of perjury that the foregoing is true and correct.

4/18/2016

Date

DocuSigned by:  
*David Shupak*  
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David Shupak

04/19/2016

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address): Robert V. Prongay (SBN 270796) Glancy Prongay & Murray LLP 1925 Century Park East, Suite 2100 Los Angeles, CA 90067 TELEPHONE NO.: (310) 201-9150 FAX NO.: (310) 201-9160 ATTORNEY FOR (Name): Plaintiff David Shupak		<b>FOR COURT USE ONLY</b>  <div style="font-size: 1.5em; font-weight: bold; margin: 10px 0;">FILED</div> Superior Court of California County of Los Angeles  <div style="font-size: 1.2em; margin: 10px 0;">APR 19 2016</div> Sherri R. Carter, Executive Officer/Clerk By <u>Cristina Grijalva</u> Deputy Cristina Grijalva	
SUPERIOR COURT OF CALIFORNIA, COUNTY OF Los Angeles STREET ADDRESS: 111 North Hill Street MAILING ADDRESS: 111 North Hill Street CITY AND ZIP CODE: Los Angeles, 90012 BRANCH NAME: Stanley Mosk Courthouse			
CASE NAME: Shupak v. Reed, et al.			
<b>CIVIL CASE COVER SHEET</b> <input checked="" type="checkbox"/> <b>Unlimited</b> (Amount demanded exceeds \$25,000) <input type="checkbox"/> <b>Limited</b> (Amount demanded is \$25,000 or less)		<b>Complex Case Designation</b> <input type="checkbox"/> <b>Counter</b> <input type="checkbox"/> <b>Joinder</b> Filed with first appearance by defendant (Cal. Rules of Court, rule 3.402)	
		CASE NUMBER: <div style="font-size: 1.5em; font-weight: bold;">BC 617444</div>	
		JUDGE: DEPT:	

Items 1-6 below must be completed (see instructions on page 2).

1. Check **one** box below for the case type that best describes this case:

<b>Auto Tort</b> <input type="checkbox"/> Auto (22) <input type="checkbox"/> Uninsured motorist (46) <b>Other PI/PD/WD (Personal Injury/Property Damage/Wrongful Death) Tort</b> <input type="checkbox"/> Asbestos (04) <input type="checkbox"/> Product liability (24) <input type="checkbox"/> Medical malpractice (45) <input type="checkbox"/> Other PI/PD/WD (23) <b>Non-PI/PD/WD (Other) Tort</b> <input type="checkbox"/> Business tort/unfair business practice (07) <input type="checkbox"/> Civil rights (08) <input type="checkbox"/> Defamation (13) <input type="checkbox"/> Fraud (16) <input type="checkbox"/> Intellectual property (19) <input type="checkbox"/> Professional negligence (25) <input type="checkbox"/> Other non-PI/PD/WD tort (35) <b>Employment</b> <input type="checkbox"/> Wrongful termination (36) <input type="checkbox"/> Other employment (15)	<b>Contract</b> <input type="checkbox"/> Breach of contract/warranty (06) <input type="checkbox"/> Rule 3.740 collections (09) <input type="checkbox"/> Other collections (09) <input type="checkbox"/> Insurance coverage (18) <input type="checkbox"/> Other contract (37) <b>Real Property</b> <input type="checkbox"/> Eminent domain/Inverse condemnation (14) <input type="checkbox"/> Wrongful eviction (33) <input type="checkbox"/> Other real property (26) <b>Unlawful Detainer</b> <input type="checkbox"/> Commercial (31) <input type="checkbox"/> Residential (32) <input type="checkbox"/> Drugs (38) <b>Judicial Review</b> <input type="checkbox"/> Asset forfeiture (05) <input type="checkbox"/> Petition re: arbitration award (11) <input type="checkbox"/> Writ of mandate (02) <input type="checkbox"/> Other judicial review (39)	<b>Provisionally Complex Civil Litigation</b> (Cal. Rules of Court, rules 3.400-3.403) <input type="checkbox"/> Antitrust/Trade regulation (03) <input type="checkbox"/> Construction defect (10) <input type="checkbox"/> Mass tort (40) <input checked="" type="checkbox"/> Securities litigation (28) <input type="checkbox"/> Environmental/Toxic tort (30) <input type="checkbox"/> Insurance coverage claims arising from the above listed provisionally complex case types (41) <b>Enforcement of Judgment</b> <input type="checkbox"/> Enforcement of judgment (20) <b>Miscellaneous Civil Complaint</b> <input type="checkbox"/> RICO (27) <input type="checkbox"/> Other complaint (not specified above) (42) <b>Miscellaneous Civil Petition</b> <input type="checkbox"/> Partnership and corporate governance (21) <input type="checkbox"/> Other petition (not specified above) (43)
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2. This case ☒ is ☐ is not complex under rule 3.400 of the California Rules of Court. If the case is complex, mark the factors requiring exceptional judicial management:
- |  |   |
|--|---|
| a. <input type="checkbox"/> Large number of separately represented parties<br>b. <input checked="" type="checkbox"/> Extensive motion practice raising difficult or novel issues that will be time-consuming to resolve<br>c. <input checked="" type="checkbox"/> Substantial amount of documentary evidence | d. <input type="checkbox"/> Large number of witnesses<br>e. <input type="checkbox"/> Coordination with related actions pending in one or more courts in other counties, states, or countries, or in a federal court<br>f. <input checked="" type="checkbox"/> Substantial postjudgment judicial supervision |
|--|---|
3. Remedies sought (check all that apply): a. ☒ monetary    b. ☒ nonmonetary; declaratory or injunctive relief    c. ☐ punitive
4. Number of causes of action (specify): 1- Breach of Fiduciary Duty
5. This case ☐ is ☒ is not a class action suit.
6. If there are any known related cases, file and serve a notice of related case. (You may use form CM-015.)

Date: April 19, 2016

Robert V. Prongay

(TYPE OR PRINT NAME)

(SIGNATURE OF PARTY OR ATTORNEY FOR PARTY)

### NOTICE

- Plaintiff must file this cover sheet with the first paper filed in the action or proceeding (except small claims cases or cases filed under the Probate Code, Family Code, or Welfare and Institutions Code). (Cal. Rules of Court, rule 3.220.) Failure to file may result in sanctions.
- File this cover sheet in addition to any cover sheet required by local court rule.
- If this case is complex under rule 3.400 et seq. of the California Rules of Court, you must serve a copy of this cover sheet on all other parties to the action or proceeding.
- Unless this is a collections case under rule 3.740 or a complex case, this cover sheet will be used for statistical purposes only.

Page 1 of 2

## INSTRUCTIONS ON HOW TO COMPLETE THE COVER SHEET

**To Plaintiffs and Others Filing First Papers.** If you are filing a first paper (for example, a complaint) in a civil case, you **must** complete and file, along with your first paper, the *Civil Case Cover Sheet* contained on page 1. This information will be used to compile statistics about the types and numbers of cases filed. You must complete items 1 through 6 on the sheet. In item 1, you must check **one** box for the case type that best describes the case. If the case fits both a general and a more specific type of case listed in item 1, check the more specific one. If the case has multiple causes of action, check the box that best indicates the **primary** cause of action. To assist you in completing the sheet, examples of the cases that belong under each case type in item 1 are provided below. A cover sheet must be filed only with your initial paper. Failure to file a cover sheet with the first paper filed in a civil case may subject a party, its counsel, or both to sanctions under rules 2.30 and 3.220 of the California Rules of Court.

**To Parties in Rule 3.740 Collections Cases.** A "collections case" under rule 3.740 is defined as an action for recovery of money owed in a sum stated to be certain that is not more than \$25,000, exclusive of interest and attorney's fees, arising from a transaction in which property, services, or money was acquired on credit. A collections case does not include an action seeking the following: (1) tort damages, (2) punitive damages, (3) recovery of real property, (4) recovery of personal property, or (5) a prejudgment writ of attachment. The identification of a case as a rule 3.740 collections case on this form means that it will be exempt from the general time-for-service requirements and case management rules, unless a defendant files a responsive pleading. A rule 3.740 collections case will be subject to the requirements for service and obtaining a judgment in rule 3.740.

**To Parties in Complex Cases.** In complex cases only, parties must also use the *Civil Case Cover Sheet* to designate whether the case is complex. If a plaintiff believes the case is complex under rule 3.400 of the California Rules of Court, this must be indicated by completing the appropriate boxes in items 1 and 2. If a plaintiff designates a case as complex, the cover sheet must be served with the complaint on all parties to the action. A defendant may file and serve no later than the time of its first appearance a joinder in the plaintiff's designation, a counter-designation that the case is not complex, or, if the plaintiff has made no designation, a designation that the case is complex.

## CASE TYPES AND EXAMPLES

## Auto Tort

Auto (22)–Personal Injury/Property Damage/Wrongful Death  
Uninsured Motorist (46) (*if the case involves an uninsured motorist claim subject to arbitration, check this item instead of Auto*)

## Other PI/PD/WD (Personal Injury/Property Damage/Wrongful Death) Tort

Asbestos (04)  
Asbestos Property Damage  
Asbestos Personal Injury/Wrongful Death  
Product Liability (*not asbestos or toxic/environmental*) (24)  
Medical Malpractice (45)  
Medical Malpractice—Physicians & Surgeons  
Other Professional Health Care Malpractice  
Other PI/PD/WD (23)  
Premises Liability (e.g., slip and fall)  
Intentional Bodily Injury/PD/WD (e.g., assault, vandalism)  
Intentional Infliction of Emotional Distress  
Negligent Infliction of Emotional Distress  
Other PI/PD/WD

## Non-PI/PD/WD (Other) Tort

Business Tort/Unfair Business Practice (07)  
Civil Rights (e.g., discrimination, false arrest) (*not civil harassment*) (08)  
Defamation (e.g., slander, libel) (13)  
Fraud (16)  
Intellectual Property (19)  
Professional Negligence (25)  
Legal Malpractice  
Other Professional Malpractice (*not medical or legal*)  
Other Non-PI/PD/WD Tort (35)

## Employment

Wrongful Termination (36)  
Other Employment (15)

## Contract

Breach of Contract/Warranty (06)  
Breach of Rental/Lease  
Contract (*not unlawful detainer or wrongful eviction*)  
Contract/Warranty Breach—Seller Plaintiff (*not fraud or negligence*)  
Negligent Breach of Contract/Warranty  
Other Breach of Contract/Warranty  
Collections (e.g., money owed, open book accounts) (09)  
Collection Case—Seller Plaintiff  
Other Promissory Note/Collections Case  
Insurance Coverage (*not provisionally complex*) (18)  
Auto Subrogation  
Other Coverage  
Other Contract (37)  
Contractual Fraud  
Other Contract Dispute

## Real Property

Eminent Domain/Inverse Condemnation (14)  
Wrongful Eviction (33)  
Other Real Property (e.g., quiet title) (26)  
Writ of Possession of Real Property  
Mortgage Foreclosure  
Quiet Title  
Other Real Property (*not eminent domain, landlord/tenant, or foreclosure*)

## Unlawful Detainer

Commercial (31)  
Residential (32)  
Drugs (38) (*if the case involves illegal drugs, check this item; otherwise, report as Commercial or Residential*)

## Judicial Review

Asset Forfeiture (05)  
Petition Re: Arbitration Award (11)  
Writ of Mandate (02)  
Writ—Administrative Mandamus  
Writ—Mandamus on Limited Court Case Matter  
Writ—Other Limited Court Case Review  
Other Judicial Review (39)  
Review of Health Officer Order  
Notice of Appeal—Labor Commissioner Appeals

## Provisionally Complex Civil Litigation (Cal. Rules of Court Rules 3.400–3.403)

Antitrust/Trade Regulation (03)  
Construction Defect (10)  
Claims Involving Mass Tort (40)  
Securities Litigation (28)  
Environmental/Toxic Tort (30)  
Insurance Coverage Claims (*arising from provisionally complex case type listed above*) (41)

## Enforcement of Judgment

Enforcement of Judgment (20)  
Abstract of Judgment (Out of County)  
Confession of Judgment (*non-domestic relations*)  
Sister State Judgment  
Administrative Agency Award (*not unpaid taxes*)  
Petition/Certification of Entry of Judgment on Unpaid Taxes  
Other Enforcement of Judgment Case

## Miscellaneous Civil Complaint

RICO (27)  
Other Complaint (*not specified above*) (42)  
Declaratory Relief Only  
Injunctive Relief Only (*non-harassment*)  
Mechanics Lien  
Other Commercial Complaint Case (*non-tort/non-complex*)  
Other Civil Complaint (*non-tort/non-complex*)

## Miscellaneous Civil Petition

Partnership and Corporate Governance (21)  
Other Petition (*not specified above*) (43)  
Civil Harassment  
Workplace Violence  
Elder/Dependent Adult Abuse  
Election Contest  
Petition for Name Change  
Petition for Relief From Late Claim  
Other Civil Petition

04/19/2016

SHORT TITLE:

Shupak v. Reed, et al.

CASE NUMBER

CC 617 444

**CIVIL CASE COVER SHEET ADDENDUM AND STATEMENT OF LOCATION  
(CERTIFICATE OF GROUNDS FOR ASSIGNMENT TO COURTHOUSE LOCATION)**

**This form is required pursuant to LASC Local Rule 2.0 in all new civil case filings in the Los Angeles Superior Court.**

Item I. Check the types of hearing and fill in the estimated length of hearing expected for this case:

JURY TRIAL? ☒ YES CLASS ACTION? ☐ YES LIMITED CASE? ☐ YES TIME ESTIMATED FOR TRIAL 7 ☐ HOURS/ ☒ DAYS

Item II. Select the correct district and courthouse location (4 steps – If you checked "Limited Case", skip to Item III, Pg. 4):

**Step 1:** After first completing the Civil Case Cover Sheet Form, find the main civil case cover sheet heading for your case in the left margin below, and, to the right in Column **A**, the Civil Case Cover Sheet case type you selected.

**Step 2:** Check one Superior Court type of action in Column **B** below which best describes the nature of this case.

**Step 3:** In Column **C**, circle the reason for the court location choice that applies to the type of action you have checked.

For any exception to the court location, see Los Angeles Superior Court Local Rule 2.0.

**Applicable Reasons for Choosing Courthouse Location (see Column C below)**

- |   |  |
|---|--|
| 1. Class Actions must be filed in the County Courthouse, Central District.      | 6. Location of property or permanently garaged vehicle.    |
| 2. May be filed in Central (Other county, or no Bodily Injury/Property Damage). | 7. Location where petitioner resides.                      |
| 3. Location where cause of action arose.  | 8. Location wherein defendant/respondent functions wholly. |
| 4. Location where bodily injury, death or damage occurred.                      | 9. Location where one or more of the parties reside.       |
| 5. Location where performance required or defendant resides.                    | 10. Location of Labor Commissioner Office.                 |

**Step 4:** Fill in the information requested on page 4 in Item III; complete Item IV. Sign the declaration.

	<b>A</b> Civil Case Cover Sheet Category No.	<b>B</b> Type of Action (Check only one)	<b>C</b> Applicable Reasons - See Step 3 Above
<b>Auto Tort</b>	Auto (22)	<input type="checkbox"/> A7100 Motor Vehicle - Personal Injury/Property Damage/Wrongful Death	1., 2., 4.
	Uninsured Motorist (46)	<input type="checkbox"/> A7110 Personal Injury/Property Damage/Wrongful Death – Uninsured Motorist	1., 2., 4.
<b>Other Personal Injury/Property Damage/Wrongful Death Tort</b>	Asbestos (04)	<input type="checkbox"/> A6070 Asbestos Property Damage <input type="checkbox"/> A7221 Asbestos - Personal Injury/Wrongful Death	2. 2.
	Product Liability (24)	<input type="checkbox"/> A7260 Product Liability (not asbestos or toxic/environmental)	1., 2., 3., 4., 8.
	Medical Malpractice (45)	<input type="checkbox"/> A7210 Medical Malpractice - Physicians & Surgeons <input type="checkbox"/> A7240 Other Professional Health Care Malpractice	1., 2., 4. 1., 2., 4.
	Other Personal Injury Property Damage Wrongful Death (23)	<input type="checkbox"/> A7250 Premises Liability (e.g., slip and fall)	1., 2., 4.
		<input type="checkbox"/> A7230 Intentional Bodily Injury/Property Damage/Wrongful Death (e.g., assault, vandalism, etc.)	1., 2., 4.
<input type="checkbox"/> A7270 Intentional Infliction of Emotional Distress		1., 2., 3.	
<input type="checkbox"/> A7220 Other Personal Injury/Property Damage/Wrongful Death		1., 2., 4.	
<b>Non-Personal Injury/Property Damage/Wrongful Death Tort</b>	Business Tort (07)	<input type="checkbox"/> A6029 Other Commercial/Business Tort (not fraud/breach of contract)	1., 2., 3.
	Civil Rights (08)	<input type="checkbox"/> A6005 Civil Rights/Discrimination	1., 2., 3.
	Defamation (13)	<input type="checkbox"/> A6010 Defamation (slander/libel)	1., 2., 3.
	Fraud (16)	<input type="checkbox"/> A6013 Fraud (no contract)	1., 2., 3.



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A Civil Case Cover Sheet Category No.	B Type of Action (Check only one)	C Applicable Reasons -See Step 3 Above
Professional Negligence (25)	<input type="checkbox"/> A6017 Legal Malpractice <input type="checkbox"/> A6050 Other Professional Malpractice (not medical or legal)	1., 2., 3. 1., 2., 3.
Other (35)	<input type="checkbox"/> A6025 Other Non-Personal Injury/Property Damage tort	2., 3.
Wrongful Termination (36)	<input type="checkbox"/> A6037 Wrongful Termination	1., 2., 3.
Other Employment (15)	<input type="checkbox"/> A6024 Other Employment Complaint Case <input type="checkbox"/> A6109 Labor Commissioner Appeals	1., 2., 3. 10.
Breach of Contract/ Warranty (06) (not insurance)	<input type="checkbox"/> A6004 Breach of Rental/Lease Contract (not Unlawful Detainer or wrongful eviction) <input type="checkbox"/> A6008 Contract/Warranty Breach -Seller Plaintiff (no fraud/negligence) <input type="checkbox"/> A6019 Negligent Breach of Contract/Warranty (no fraud) <input type="checkbox"/> A6028 Other Breach of Contract/Warranty (not fraud or negligence)	2., 5. 2., 5. 1., 2., 5. 1., 2., 5.
Collections (09)	<input type="checkbox"/> A6002 Collections Case-Seller Plaintiff <input type="checkbox"/> A6012 Other Promissory Note/Collections Case	2., 5., 6. 2., 5.
Insurance Coverage (18)	<input type="checkbox"/> A6015 Insurance Coverage (not complex)	1., 2., 5., 8.
Other Contract (37)	<input type="checkbox"/> A6009 Contractual Fraud <input type="checkbox"/> A6031 Tortious Interference <input type="checkbox"/> A6027 Other Contract Dispute(not breach/insurance/fraud/negligence)	1., 2., 3., 5. 1., 2., 3., 5. 1., 2., 3., 8.
Eminent Domain/Inverse Condemnation (14)	<input type="checkbox"/> A7300 Eminent Domain/Condemnation      Number of parcels _____	2.
Wrongful Eviction (33)	<input type="checkbox"/> A6023 Wrongful Eviction Case	2., 6.
Other Real Property (26)	<input type="checkbox"/> A6018 Mortgage Foreclosure <input type="checkbox"/> A6032 Quiet Title <input type="checkbox"/> A6060 Other Real Property (not eminent domain, landlord/tenant, foreclosure)	2., 6. 2., 6. 2., 6.
Unlawful Detainer- Commercial (31)	<input type="checkbox"/> A6021 Unlawful Detainer-Commercial (not drugs or wrongful eviction)	2., 6.
Unlawful Detainer- Residential (32)	<input type="checkbox"/> A6020 Unlawful Detainer-Residential (not drugs or wrongful eviction)	2., 6.
Unlawful Detainer- Drugs (38)	<input type="checkbox"/> A6022 Unlawful Detainer-Drugs	2., 6.
Asset Forfeiture (05)	<input type="checkbox"/> A6108 Asset Forfeiture Case	2., 6.
Petition re Arbitration (11)	<input type="checkbox"/> A6115 Petition to Compel/Confirm/Vacate Arbitration	2., 5.

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Judicial Review (Cont'd.)

Provisionally Complex  
Litigation

Enforcement  
of Judgment

Miscellaneous Civil  
Complaints

Miscellaneous Civil Petitions

A Civil Case Cover Sheet Category No.	B Type of Action (Check only one)	C Applicable Reasons - See Step 3 Above
Writ of Mandate (02)	<input type="checkbox"/> A6151 Writ - Administrative Mandamus <input type="checkbox"/> A6152 Writ - Mandamus on Limited Court Case Matter <input type="checkbox"/> A6153 Writ - Other Limited Court Case Review	2., 8. 2. 2.
Other Judicial Review (39)	<input type="checkbox"/> A6150 Other Writ /Judicial Review	2., 8.
Antitrust/Trade Regulation (03)	<input type="checkbox"/> A6003 Antitrust/Trade Regulation	1., 2., 8.
Construction Defect (10)	<input type="checkbox"/> A6007 Construction defect	1., 2., 3.
Claims Involving Mass Tort (40)	<input type="checkbox"/> A6006 Claims Involving Mass Tort	1., 2., 8.
Securities Litigation (28)	<input checked="" type="checkbox"/> A6035 Securities Litigation Case	1., 2., 8.
Toxic Tort Environmental (30)	<input type="checkbox"/> A6036 Toxic Tort/Environmental	1., 2., 3., 8.
Insurance Coverage Claims from Complex Case (41)	<input type="checkbox"/> A6014 Insurance Coverage/Subrogation (complex case only)	1., 2., 5., 8.
Enforcement of Judgment (20)	<input type="checkbox"/> A6141 Sister State Judgment <input type="checkbox"/> A6160 Abstract of Judgment <input type="checkbox"/> A6107 Confession of Judgment (non-domestic relations) <input type="checkbox"/> A6140 Administrative Agency Award (not unpaid taxes) <input type="checkbox"/> A6114 Petition/Certificate for Entry of Judgment on Unpaid Tax <input type="checkbox"/> A6112 Other Enforcement of Judgment Case	2., 9. 2., 6. 2., 9. 2., 8. 2., 8. 2., 8., 9.
RICO (27)	<input type="checkbox"/> A6033 Racketeering (RICO) Case	1., 2., 8.
Other Complaints (Not Specified Above) (42)	<input type="checkbox"/> A6030 Declaratory Relief Only <input type="checkbox"/> A6040 Injunctive Relief Only (not domestic/harassment) <input type="checkbox"/> A6011 Other Commercial Complaint Case (non-tort/non-complex) <input type="checkbox"/> A6000 Other Civil Complaint (non-tort/non-complex)	1., 2., 8. 2., 8. 1., 2., 8. 1., 2., 8.
Partnership Corporation Governance(21)	<input type="checkbox"/> A6113 Partnership and Corporate Governance Case	2., 8.
Other Petitions (Not Specified Above) (43)	<input type="checkbox"/> A6121 Civil Harassment <input type="checkbox"/> A6123 Workplace Harassment <input type="checkbox"/> A6124 Elder/Dependent Adult Abuse Case <input type="checkbox"/> A6190 Election Contest <input type="checkbox"/> A6110 Petition for Change of Name <input type="checkbox"/> A6170 Petition for Relief from Late Claim Law <input type="checkbox"/> A6100 Other Civil Petition	2., 3., 9. 2., 3., 9. 2., 3., 9. 2. 2., 7. 2., 3., 4., 8. 2., 9.

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Item III. Statement of Location: Enter the address of the accident, party's residence or place of business, performance, or other circumstance indicated in Item II., Step 3 on Page 1, as the proper reason for filing in the court location you selected.

REASON: CHECK THE NUMBER UNDER COLUMN C WHICH APPLIES IN THIS CASE <input type="checkbox"/> 1. <input checked="" type="checkbox"/> 2. <input type="checkbox"/> 3. <input type="checkbox"/> 4. <input type="checkbox"/> 5. <input type="checkbox"/> 6. <input type="checkbox"/> 7. <input checked="" type="checkbox"/> 8. <input type="checkbox"/> 9. <input type="checkbox"/> 10.		ADDRESS: 555 West Fifth Street	
CITY: Los Angeles	STATE: CA	ZIP CODE: 90013	

Item IV. Declaration of Assignment: I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that the above-entitled matter is properly filed for assignment to the Stanley Mosk courthouse in the Central District of the Los Angeles Superior Court (Code Civ. Proc., § 392 et seq., and LASC Local Rule 2.0, subds. (b), (c) and (d)).

Dated: April 19, 2016

  
(SIGNATURE OF ATTORNEY/FILING PARTY)

**PLEASE HAVE THE FOLLOWING ITEMS COMPLETED AND READY TO BE FILED IN ORDER TO PROPERLY COMMENCE YOUR NEW COURT CASE:**

1. Original Complaint or Petition.
2. If filing a Complaint, a completed Summons form for issuance by the Clerk.
3. Civil Case Cover Sheet form CM-010.
4. Complete Addendum to Civil Case Cover Sheet form LASC Approved CIV 109 03-04 (Rev. 03/06).
5. Payment in full of the filing fee, unless fees have been waived.
6. Signed order appointing the Guardian ad Litem, JC form 982(a)(27), if the plaintiff or petitioner is a minor under 18 years of age, or if required by Court.
7. Additional copies of documents to be conformed by the Clerk. Copies of the cover sheet and this addendum must be served along with the summons and complaint, or other initiating pleading in the case.

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