



John P. Stigi III

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PRACTICE AREAS

- Litigation
- Corporate
- White Collar and Civil Fraud
Defense
- Finance

INDUSTRIES

- Aerospace & Defense
- Education
- Entertainment, Media and
Technology
- Financial Services
- Insurance
- Private Equity
- Technology

OVERVIEW

John Stigi is a partner in the Business Trial Practice Group in the firm's Los Angeles and New York offices, and leader of the firm's Corporate/Securities Litigation Team.

Areas of Practice

Mr. Stigi's practice focuses on securities class action and shareholder derivative action defense, SEC investigation defense, internal corporate investigations, and M&A and corporate governance litigation. He has extensive experience representing issuers, officers, directors and auditors in all areas of securities and corporate litigation, from the early stages before a complaint is filed through pleading motions, discovery, mediation, trial and appeal. Mr. Stigi also advises companies on disclosure and corporate governance issues, as well as directors and officers insurance matters.

Mr. Stigi's practice is national in scope. He appears routinely in federal and state courts throughout California, New York and Delaware, and also has appeared in courts in Arizona, Colorado, Florida, Massachusetts, Mississippi, New Jersey, Texas and Washington.

Mr. Stigi previously was a partner in the securities litigation group at Wilson Sonsini Goodrich & Rosati, resident in the Palo Alto and San Francisco offices. Prior to that he practiced for 12 years in New York City where he represented issuers, accountants, banks, brokerage firms, and hedge fund managers in securities, commercial, bankruptcy, employment, and real estate litigation. Mr. Stigi clerked at the District of Columbia Court of Appeals and was an executive editor of the Virginia Journal of International Law.

EDUCATION

- J.D., University of Virginia, 1987
- B.A., Columbia University, 1984, *cum laude*

ADMISSIONS

- California
- New York
- U.S. Courts of Appeals for the Fifth and Ninth Circuits

- U.S. District Courts for the Central District of California, Northern District of California, Southern District of California, District of Colorado, Eastern District of New York and Southern District of New York

EXPERIENCE

Representative Cases

Securities & Shareholder Derivative Actions

- America West
- Amgen
- Arthur Andersen
- Boeing
- Bolar/Circa Pharmaceuticals
- Chordiant Software
- Deloitte & Touche (various)
- Digital Cornerstone
- Ernst & Young
- Fairchild Corporation
- First Virtual Communications
- Hewlett Packard (various)
- i2 Technologies
- International Rectifier
- Irvine Sensors
- Jennifer Convertibles
- Leap Wireless
- McAfee
- NCI Building Systems
- NorthPoint Communications
- Quovadx
- Redback Networks
- Sahlen & Associates
- salesforce.com
- VISX
- Zales

Merger/Going Private Actions

- Corio
- CrossWorlds Software
- E.piphany
- Hewlett Packard/Compaq
- Hewlett Packard/Walter Hewlett
- Infoweapons

- International Rectifier
- LionsGate
- Plumtree Software
- Rational Software
- Raytel Medical
- Taylor Made

Financial Services-Related Actions

- CIBC Oppenheimer
- Citicorp Real Estate
- Clearwater Fund
- European American Bank
- First Nationwide Bank
- Hambro America
- Liberty Brokerage
- Moore Capital Management
- Patriot Securities

HONORS

- Southern California Super Lawyer, 2010
- Northern California Super Lawyer, *San Francisco Magazine*

MEMBERSHIPS

- American Bar Association, 1989-present
- International Bar Association, 2004-2006
- New York State Bar Association, Civil Practice Law and Rules Committee, 1996-1999
- Los Angeles World Affairs Council, 2006-present
- University of Virginia School of Law National Litigation Panel, 1996-2000
- Columbia University Alumni Representative Committee, 2007-present

ARTICLES

- Q&A With Sheppard Mullin's John P. Stigi III, *Law360*, July 16, 2009

Articles in Print

- Courts Interpret 'Tellabs', *The National Law Journal*, March 17, 2008
- May a Court Consider Competing Inferences of a Defendant's State of Mind in Determining Whether the Complaint Pleads a 'Strong Inference' of Scienter?, *34 Preview of United States Supreme Court Cases (ABA)*, No. 6, April 9, 2007
- Electronic Discovery: New Rules Also Affect E-Discovery of Nonparties, *The National Law Journal*, March 19, 2007
- Delaware Decision in *Disney* Sets Forth Parameters for Duty of Good Faith, *21 Delaware Corporate Litigation Reporter*, No. 6, September 25, 2006
- *Disney* Case Provides Further Insight into Directors' Duty of Disclosure, *13 Corporate Governance Advisor*, No. 5, September/October 2005

- Delaware Vice Chancellor Strine Suggests Reform of Delaware Common Law Regarding Fully Negotiable Going-Private Transactions, 9 *Wall Street Lawyer*, No. 3, August 2005

Corporate & Securities Law Blog Articles

- "Tenth Circuit Holds Corporate Shareholders Do Not Have Standing Under Rico To Sue Derivatively For Alleged Injuries To Corporation", March 8, 2010
- "United States Supreme Court Clarifies Standard For Determining Corporate Citizenship For Purposes Of Federal Court Diversity Jurisdiction", March 1, 2010
- "Ninth Circuit Affirms Dismissal Of Section 14(a) Class Action Holding That A Share Dilution Theory For Pleading Economic Loss Is Unsupported By Case Law", February 22, 2010
- "Eleventh Circuit Affirms Dismissal Of Options Backdating Securities Fraud Class Action For Failure To Meet Reform Act's Heightened Pleading Standards", February 12, 2010
- "Sixth Circuit Affirms Dismissal Of Securities Fraud Complaint Where Inference Of Scienter Was Not Supported By Sufficiently Particularized Allegations Of Fact", February 12, 2010
- "2009 Year-End Securities Litigation Reports Are Out; Filings Are Down Following Easing Of The Financial Crisis And Reduced Stock Price Volatility", February 12, 2010
- "California Court Of Appeal Addresses Important Issues Affecting Shareholder Derivative Claims Under Delaware Law", January 4, 2010
- "Second Circuit Reverses Order Disqualifying Defense Counsel In Suit Over Demutualization Of Insurance Company", October 13, 2009
- "Ninth Circuit Holds That Absence Of "*Upjohn* Warning" Does Not Bar Admissibility In Criminal Prosecution Of Statements Elicited By Corporate Counsel During Internal Investigation", October 8, 2009
- "Delaware Senate Confirms J. Travis Laster As Newest Member Of Chancery Court", October 1, 2009
- "New York Federal District Court Rejects Credit Rating Agencies' First Amendment Defense", September 22, 2009
- "First Circuit Holds That Tax Accrual Work Papers Are Not Protected Under The Attorney Work Product Doctrine", September 16, 2009
- "Ninth Circuit Rejects Attempt To Expand Scope Of Short-Swing Profit Insider Liability Claims Under Section 16(b)", August 27, 2009
- "Second Circuit Holds That Computer Hacking For Purposes Of Trading On Inside Information May Be A "Deceptive Device" Under Section 10(b) Even In The Absence Of A Breach Of Any Fiduciary Duty", August 7, 2009
- "2009 Mid-Year Securities Litigation Reports Are Out; Filings Have Leveled Off", July 29, 2009
- "Ninth Circuit Rules That D&O Policies' "Insured Versus Insured" Exclusion Applies To Debtors-In-Possession And Assignee Creditors During Bankruptcy Proceedings", July 22, 2009
- "Delaware Supreme Court Holds That Minority Stockholders In A Short Form Merger Are Entitled To "Quasi-Appraisal" Remedy When Material Facts Are Not Disclosed", July 21, 2009
- "Third Circuit Applies Tellabs To Reject Motive And Opportunity Test In Favor Of A "Holistic Approach" To Pleading Scienter In Securities Fraud Actions", June 18, 2009

- "Ninth Circuit Reaffirms Particularity Requirement In Securities Fraud Actions For Pleading Scienter", February 3, 2009
- "Delaware Supreme Court Rejects Application Of Entire Fairness Scrutiny In Controlling Shareholder's Non-Coercive Offer", February 3, 2009
- "2008 Year-End Securities Litigation Reports Are Out; The Financial Sector Was Hit Hardest By Increased Class Action Filings", January 7, 2009
- "Ninth Circuit Holds That Section 304 Of The Sarbanes Oxley Act Does Not Provide Litigants With A Private Right Of Action", January 6, 2009
- "Ninth Circuit Rejects Theory Of "Collective Scienter" And Reaffirms Pre-Tellabs Authority Applying Heightened Requirements For Pleading Scienter In Securities Fraud Actions", December 4, 2008
- "The Delaware Chancery Court Rejects Attempt By Acquirer To Cancel Merger Amid Worldwide Credit Crisis", November 11, 2008
- "Ninth Circuit Reaffirms That The 'Core Operations Inference,' Standing Alone, Is Insufficient To Support A Strong Inference Of Scienter In Securities Fraud Actions", September 23, 2008
- "Ninth Circuit Reverses Dismissal Of Securities Fraud Complaint On Loss Causation Grounds Despite Three-Month Delay Between Corrective Disclosure And Market Reaction", September 22, 2008
- "2008 Mid-Year Securities Litigation Reports Are Out, And The Numbers Are Up", August 7, 2008
- "Ninth Circuit Affirms Dismissal With Prejudice Of Corinthian Colleges Securities Fraud Class Action", August 7, 2008
- "Delaware Chancery Court Holds That Self-Interested Directorial Compensation Decisions Made Without Independent Protections Will Not Survive An Entire Fairness Review", July 22, 2008
- "Delaware Chancery Court Issues Rulings On Preliminary Injunctions Regarding Materiality Of Disclosures In Proxy Statements", July 17, 2008
- "Second Circuit Rejects "Collective Scienter" Theory For Pleading A Securities Fraud Claim Against A Corporation", July 17, 2008
- "Delaware Chancery Court Holds That IAC Spin-Offs Can Proceed Without Liberty's Consent", July 8, 2008
- "Delaware Chancery Court Holds That Advance Notice Bylaws Must Clearly State That They Apply To Self-Funded Proxy Solicitations", July 8, 2008
- "Ninth Circuit Allows SEC to Proceed Against Director for Insider Trading Even Where Director Owed No Fiduciary Duty to Company Whose Stock He Traded", July 8, 2008
- "New York's Highest Court Holds That Members of Limited Liability Company May Bring Derivative Suits on the LLC's Behalf," February 29, 2008
- "California Supreme Court Imposes a Continuous Ownership Rule on Plaintiffs in Shareholder Derivative Actions," February 26, 2008
- "Delaware Supreme Court Holds That Board Members Who Do Not Own Shares Lack Standing to File a Derivative Suit," February 25, 2008
- "Supreme Court Severely Limits Secondary Actors' Exposure To Securities Fraud Lawsuits," January 17, 2008
- "Literally True Statement In A Prospectus Can Still Support A Federal Securities Claim If, In Context, The Statement Is Materially Misleading," January 7, 2008

- "Personal Jurisdiction Over Nonresident Officer Proper Under Delaware Law Only If There Was Active Conduct Performed In Officer's Official Capacity," December 19, 2007
- "Presentation Of Special Committee Report To Full Board Waives Attorney-Client Privilege," December 19, 2007
- "DOJ, Courts Lessen Pressure On Corporations To Deny Indemnification To Management Targets Of Prosecutions," November 15, 2007
- "Delaware Chancery Court Declines To Enjoin Merger, Recognizing High Burden To Succeed In Enjoining Premium Transaction In Absence of Competing Bid," November 15, 2007
- "Delaware Chancery Court Holds That Granting "Spring-Loaded" Stock Options to Executives Without Full Disclosure to Shareholders Violates Fiduciary Duties," November 2, 2007
- "High Court Confirms Private Securities Litigation Reform Act's Heightened Requirements for Pleading Scienter," July 2, 2007
- "Delaware Chancery Court Criticizes Small-Cap Company's Board for Failing to Fulfill Revlon Duties When Selling Company to Private Equity Firm," June 19, 2007
- "Delaware Supreme Court Affirms Disney Decision," June 12, 2006
- "Supreme Court Rules That Federal Law Pre-Empts State Law Securities Fraud Class Actions By Holders," May 10, 2006
- "Sentencing Guidelines Amended to Remove Requirement That Corporations Waive Privilege to Reduce Sentence," May 8, 2006
- "Prosecutors and Regulators Continue to Pressure Corporations to Deny Indemnification to Management Targets," May 5, 2006

Class Action Defense Strategy Law Blog Articles

- "Ninth Circuit Holds that District Courts May Reject, But May Not Select, Lead Plaintiffs' Counsel in Class Actions Brought Under the Private Securities Litigation Reform Act", November 11, 2009
- "Third Circuit Holds That Plaintiffs Alleging Respa Violations Under Section 8 Need Not Show An Overcharge To Have Article III Standing To Sue", November 2, 2009

SPEECHES

- Speaker, Deconstructing *Ryan v. Gifford*, Cal CPA Fraud Section, Los Angeles, February 2008
- Speaker, Environmental Disclosures, Los Angeles County Bar Association, Los Angeles, February 2008
- Speaker & Panelist, Securities Litigation, CLE International Conference on Class Actions, San Francisco, January 2008
- Co-chair, CLE International Conference on Class Actions, Los Angeles, January 2007
- Podcast, *Merrill Lynch v. Dabit*, TheCorporateCounsel.net Blog, April 2006
- Speaker & Panelist, McMaster World Congress Conference on Corporate Governance, Hamilton, Ontario, January 2006
- Speaker, Washington Metropolitan Area Corporate Counsel Association, SEC Enforcement, Reston, VA, December 2005
- Speaker & Panelist, International Bar Association Annual Conference, Prague, September 2005
- Speaker & Panelist, InSight CLE, M&A Litigation, Vancouver, BC, April 2005

- Speaker & Panelist, Glasser LegalWorks, Electronic Discovery, San Francisco, April 2004
- Speaker, Venture Capital Task Force, Palo Alto, July 2002