

White and Williams Prevails in Trial of Counterclaims in Long-Running Shareholder Dispute

6.15.17

In *Finnegan, et uno v. Baker, et al.* White and Williams successfully represented four individuals in the defense of claims arising out of the conversions of loans to stock in a privately-held corporation. The plaintiffs' claims were tried, jury-waived, in 2011, in the Business Litigation Session of the Massachusetts Superior Court. The presiding Superior Court Justice decided the plaintiffs' claims in October 2012, rejecting all of them. On August 14, 2015, the Massachusetts Appeals Court affirmed. The affirmance cleared the way for the Firm's clients to pursue their counterclaims.

The counterclaims were tried to a jury in May 2017. The jury found for our clients on all of the counts submitted to it. It found that one of the defendants-in-counterclaims had breached his fiduciary duties, that the other had aided and abetted the breach of fiduciary duties, and that both of the defendants-in-counterclaims had engaged in malicious prosecution. On the first two claims, the jury awarded more in damages than had been requested. On the third, the jury awarded all of the damages that had been requested. The court entered judgment in our clients' favor on June 15, 2017. Including prejudgment interest and costs, and exclusive of duplicative awards, the judgment amount exceeds \$1.5 million. Further, based on the jury's findings, the defendants-in-counterclaim also are expected to be required to repay most of the money (approximately \$500,000) that the company advanced to them pursuant to indemnification and advancement obligations under Delaware law.

The defendants/plaintiffs-in-counterclaims were represented by David Chaffin.