# EXHIBIT 4

2015 WL 13546229
Only the Westlaw citation is currently available.
United States District Court, C.D. California.

SENTINEL OFFENDER SERVICES, LLC, Plaintiff,
v.
G4S SECURE SOLUTIONS (USA) INC., Defendant.

Case No. SACV 14–298–JLS (JPRx)
|
Signed 11/20/2015

**Attorneys and Law Firms**

Joseph J. Mellema, Mark S. Adams, Jeffer Mangels Butler and Mitchell LLP, Irvine, CA, Lauren Elizabeth Babst, Jeffer Mangels Butler and Mitchell LLP, Los Angeles, CA, Matthew S. Kenefick, Jeffer Mangels Butler and Mitchell LLP, San Francisco, CA, for Plaintiff.

Calvin E. Davis, Aaron P. Rudin, Gordon & Rees LLP, Los Angeles, CA, for Defendant.

**ORDER DENYING DEFENDANT'S MOTION FOR SUMMARY JUDGMENT (Doc. 58)**

JOSEPHINE L. STATON, UNITED STATES DISTRICT JUDGE

## I. INTRODUCTION

***1** Before the Court is a Motion for Summary Judgment filed by Defendant G4S Secure Solutions (USA) Inc. (Mot., Doc. 58.) Plaintiff Sentinel Offender Services, LLC opposed, and Defendant replied. (Opp., Doc. 61; Reply, Doc. 67.) Having considered the briefs taken under submission, the Court DENIES Defendant's Motion for Summary Judgment.

## II. BACKGROUND [1]

Defendant G4S Secure Solutions (USA) Inc. is a security service company incorporated and headquartered in Florida. (Statement of Uncontroverted Facts "SUF" ¶ 1, Doc. 58–2.) G4S was the parent company of G4S Justice Services LLC ("Justice"), a limited liability company that provides electronic monitoring services. (*Id.* ¶ 2.) On November 21, 2011, G4S' parent company entered into a Letter of Intent with Plaintiff Sentinel Offender Services, LLC for the $16 million purchase of Justice and G4S Justice Services (Canada) LTD. (*Id.* ¶ 3.) Before the Letter of Intent was signed, Sentinel sent a "Due Diligence Request List" to G4S. (*Id.* ¶ 4.) Sentinel sought general corporate, financial, and legal information in the event the Letter of Intent was finalized. (*Id.* ¶ 4.) The list specifically requested a copy of "[a]ll significant vendor, customer and distributor contracts." (*Id.* ¶ 5.) During November and December 2011, G4S and Justice uploaded the requested information to a secure online data platform accessible by Sentinel. (*Id.* ¶ 7.) Among other things, Justice uploaded redacted copies of its contract with the North Carolina Department of Corrections, one of its top fifteen customers. (*Id.* ¶ 8.) Justice provided electronic monitoring services to the NCDOC, (*id.* ¶ 9), and the NCDOC contract represented approximately 8.4% of Justice's pre-closing average annual revenues, (Statement of Additional Material Facts "AMF" ¶ 8, Doc. 62).

On August 16, 2011, the NCDOC had issued Request for Proposal ("RFP") No. 4201118 to seek bids for a one-year contract for electronic monitoring services. (SUF ¶ 10.) On or about October 4, 2011, the NCDOC issued an addendum that stated its current contract with Justice would end on March 31, 2012. (*Id.* ¶ 12.) The addendum asserted that if all bids were rejected, the current contract with Justice would be extended until a new contract could be issued. (*Id.*) The addendum further noted:

> All proposals will be initially classified as being responsive or non-responsive. If a proposal is found non-responsive, it will not be considered further ... To be eligible for consideration, an Offeror must meet the intent of all requirements ... Responses that do not meet the full intent of functional requirements listed in this RFP may be subject to point reductions during the evaluation process or may be deemed non-responsive. Further, a serious deficiency in the response to any one factor may be grounds for rejection regardless of overall score.

(Carson Decl. ¶ 10, Ex. C at 66, Doc. 61–1.) In November 2011, Justice submitted its bid proposal to the NCDOC. (*Id.* ¶ 11.)

  

***2** On January 18, 2012, a purchasing agent at the NCDOC sent a letter to Leo Carson at Justice. (Carson Decl. ¶ 12, Ex. D.) The letter requested clarification of Justice's proposal, including whether Justice's system (1) was compatible with the NCDOC's current use of Internet Explorer Version 7, (2) could allow GPS exclusion zones around all primary and secondary schools in North Carolina, and (3) could satisfy the requirement that battery life must last at least 48 hours. (*Id.*) When Leo Carson emailed Melissa Keefe, a manager at Justice's equipment vendor 3M Electronic Monitoring, she confirmed that 3M software did not meet the above specifications. (*Id.* ¶ 13, Ex. E.) Carson wrote he was "genuinely concerned that these 3M items render our proposal non-compliant with the NCDOC RFP requirements[,]" and Keefe responded that the equipment and software remained noncompliant. (*Id.*)

On January 31, 2012, Carson emailed Darryl Martin and Mike Dean, senior management at Justice, to request feedback on his drafted response to the NCDOC. (Carson Decl. Ex. E.) In his email, Carson noted that Justice "face[s] exposure for potential non-compliance on DC DPS clarification items 3, 2, 14 (compatibility with Internet Explorer 7), 16 (exclusion zones around ALL schools)[,] and 17 (GPS battery life of at least 48 hours with a 4 hour charge time)." (*Id.*) Carson later faxed a response to the NCDOC that admitted noncompliance as to certain RFP requirements. (*Id.* ¶ 14, Ex. F.)

On February 22, 2012, the NCDOC extended its contract with Justice to October 1, 2012. (SUF ¶ 13.) On March 28, 2012, the NCDOC requested that Justice extend its expired bid to RFP No. 4201118 for an additional period of time, and Justice agreed. (*Id.* ¶ 14.)

On February 22, 2012, counsel for G4S and Justice sent an initial draft of the Purchase Agreement to Sentinel's counsel. (*Id.* ¶ 15.) Between February 22, 2012 and April 27, 2012, counsel for Sentinel, G4S, and Justice exchanged numerous drafts of the Purchase Agreement. (*Id.* ¶ 16.) During the negotiation of the Purchase Agreement, Sentinel was aware that two of Justice's top fifteen customers had pending RFPs to vendors: the NCDOC and Cook County, Illinois. (*Id.* ¶¶ 24, 26.) The Purchase Agreement had an adjustment provision that adjusted the purchase price for certain designated re-bid customers in the event the customer did not award a new contract to Justice. (*Id.* ¶ 23.) Sentinel requested that the adjustment provision apply to both customers with pending RFPs, but the final Purchase Agreement included only Cook County within this adjustment provision. (*Id.* ¶¶ 25, 26.)

On March 7, 2012, there was a meeting attended by senior management of Justice, senior management of G4S, and counsel for G4S. (AMF ¶ 11.) During this meeting, Bob Contestabile of Sentinel expressed concern over Justice's contract with the NCDOC. (*Id.* ¶ 12.) In response, representatives of Justice, including its CEO Blake Beach, assured that the NCDOC contract "won't be a problem" and that "we've got that one." (*Id.* ¶ 13.)

On March 19, 2012, Contestabile sent an email to Susanne Jorgensen, Vice President of G4S, that requested Justice management's expectations regarding the NCDOC and Cook County accounts. (SUF ¶ 27.) Contestabile wrote that Sentinel was seeking "anything that we can produce that will give comfort to the lender regarding our ability to retain and grow the revenue side of the business." (*Id.*) Jorgensen forwarded this email to Darryl Martin and Blake Beach of Justice to obtain their input. (*Id.* ¶ 28.) On March 20, 2012, Martin responded to Jorgensen with the information requested by Contestabile. (*Id.* ¶ 29.) Martin's response indicated there were three viable bidders for the NCDOC RFP, that the service element of Justice's bid was "solid and will not cause the agency to entertain other proposals," and that notwithstanding price concerns, Justice had a 50% probability of obtaining the contract. (*Id.* ¶ 29.) Martin lowered the probability to 40% if price became a significant factor. (AMF ¶ 21.) When Beach reviewed Martin's email, he recommended that Jorgensen remove specific probability percentages from her response. (SUF ¶ 31.) Based on this feedback, Jorgensen sent an email to Contestabile and Kintsch that repeated the information provided in Martin's email. (*Id.* ¶ 32; Jorgensen Decl. ¶ 15, Ex. 7, Doc. 58–6.) However, rather than stating Justice had either a 40% or 50% probability of obtaining the NCDOC contract depending on price concerns, Jorgensen's email stated that Justice "ha[d] a good probability of receiving the contract award." (Jorgensen Decl. Ex. 7.) Both Beach and Martin were copied in Jorgensen's email, and neither responded to the content of the email. (SUF ¶ 33.)

***3** On April 27, 2012, G4S, Justice, Justice Canada, and Sentinel entered into the Purchase Agreement. (SUF ¶ 34.) In early June 2012, Sentinel learned for the first time that Justice would not be awarded a new contract with the NCDOC. (AMF ¶ 24.) On June 6, 2012, Carson received a letter from the NCDOC stating that Justice's bid and clarifying response "d[id] not meet the mandatory requirement of

  

the RFP." (Carson Decl. ¶ 20, Ex. I.) The letter identified the following areas of non-compliance as the basis for its rejection: (1) incompatibility with the 48-hour battery life requirement, (2) incompatibility with the Internet Explorer 7 requirement, and (3) incompatibility with the requirement to "[e]stablish ... exclusion zones around all elementary and secondary schools in North Carolina." (*Id.*)

On January 3, 2014, Sentinel filed the present action in California state court. (Compl., Notice of Removal Ex. 1, Doc. 1–1.) G4S removed the action to federal court on February 28, 2014. (Notice of Removal, Doc. 1.) On June 24, 2014, Sentinel filed a First Amended Complaint. (FAC, Doc. 24.) The FAC asserts claims for (1) breach of representations and warranties in the Purchase Agreement, (2) breach of written contract, (3) fraud and deceit, and (4) negligent misrepresentation. (FAC ¶¶ 50–83.) G4S now moves for summary judgment as to all claims.

## III. LEGAL STANDARD

In deciding a motion for summary judgment, the Court must view the evidence in the light most favorable to the non-moving party and draw all justifiable inferences in that party's favor. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 255, 261 n.2 (1986). Summary judgment is proper "if the [moving party] shows that there is no genuine dispute as to any material fact and the [moving party] is entitled to judgment as a matter of law." Fed. R. Civ. P. 56. A factual issue is "genuine" when there is sufficient evidence such that a reasonable trier of fact could resolve the issue in the non-movant's favor, and an issue is "material" when its resolution might affect the outcome of the suit under the governing law. *Anderson*, 477 U.S. at 248.

The moving party bears the initial burden of demonstrating the absence of a genuine issue of fact. *Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986). "When the party moving for summary judgment would bear the burden of proof at trial, it must come forward with evidence which would entitle it to a directed verdict if the evidence went uncontroverted at trial." *C.A.R. Transp. Brokerage Co. v. Darden Rests., Inc.*, 213 F.3d 474, 480 (9th Cir. 2000) (citation and quotation marks omitted). The burden then shifts to the non-moving party to "cit[e] to particular parts of materials in the record" supporting its assertion that a fact is "genuinely disputed." Fed. R. Civ. P. 56(c)(1). To defeat a motion for summary judgment, the non-moving party "must 'do more than simply show that there is some metaphysical doubt as to the material facts.' " *Sluimer v. Verity, Inc.*, 606 F.3d 584, 586 (9th Cir. 2010) (quoting *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475 U.S. 574, 586 (1986)). Furthermore, the non-moving party may not rely on "conclusory allegations unsupported by factual data." *Taylor v. List*, 880 F.2d 1040, 1045 (9th Cir. 1989). Rather, the "non-moving party must come forth with evidence from which a jury could reasonably render a verdict in the non-moving party's favor." *In re Oracle Corp. Sec. Litig.*, 627 F.3d 376, 387 (9th Cir. 2010) (citing *Anderson*, 477 U.S. at 252).

In deciding a motion for summary judgment, the court must view the evidence in the light most favorable to the non-moving party and must resolve all ambiguities and draw all reasonable inferences against the movant. *See* *Anderson*, 477 U.S. at 255. However, "credibility determinations, the weighing of evidence, and the drawing of legitimate inferences from the facts are jury functions, not those of a judge." *Acosta v. City of Costa Mesa*, 718 F.3d 800, 828 (9th Cir. 2013) (quoting *Reeves v. Sanderson Plumbing Prods., Inc.*, 530 U.S. 133, 150 (2000)). The role of the court is not to resolve disputed issues of fact but to assess whether there are any factual issues to be tried.

## IV. DISCUSSION

### A. Breach of Representations & Warranties and Breach of Contract

***4** The Court first addresses Sentinel's claims for breach of representations and warranties and breach of written contract. To establish these claims under California law,[2] a plaintiff must demonstrate by a preponderance of the evidence: (1) the existence of a contract, (2) plaintiff's performance or excuse for non-performance, (3) defendant's breach, and (4) damages to plaintiff therefrom. *Acoustics, Inc. v. Trepte Constr. Co.*, 14 Cal. App. 3d 887, 913 (1971). To support both claims, Sentinel asserts that G4S breached the representations and warranties contained in Article 4 of the Purchase Agreement. In section 4.25(a)(i) of the Agreement, G4S represented that "all Material Customers continue to be customers of Justice and no Material Customer has materially reduced or disclosed an intention to materially reduce its business with

Justice below the levels achieved during [2011].” (Purchase Agreement § 4.25(a)(i), FAC Ex. A, Doc. 24–1.) In section 4.25(a)(ii) of the Agreement, G4S represented that “no Material Customer has terminated its relationship with Justice or has threatened to do so.” (*Id.* § 4.25(a)(ii).) Moreover, section 4.23 of the Purchase Agreement provides that the “representations and warranties contained in [ ] Article 4 do not contain any untrue statement of material fact or omit to state any material fact necessary to make the statements and information contained in [ ] Article 4 not misleading.” (*Id.* § 4.23.) The Agreement lists the NCDOC as a “Material Customer.” (Agreement Disclosure Schedule 4.25, FAC Ex. A at 218, Doc. 24–2.)

G4S first argues that Sentinel cannot assert a breach of Article 4 because the adjustment provision, section 1.3(b) of the Purchase Agreement, controls over the general representations and warranties of Article 4. (Mem. at 9.) Section 1.3 of the Purchase Agreement provides:

> Section 1.3 of the Disclosure Schedule sets forth a Material Customer Contract (collectively, the “Re–Bid Customer Contract”) to which Justice is currently a party, but which has been re-bid by Justice in response to the request for proposal of the relevant customer prior to Closing. If the relevant customer fails to award a new contract or extend the existing Re–Bid Customer Contract in favor of Justice pursuant to such re-bid, then the Purchase Price shall be decreased in the amount specified for such customer on Section 1.3 of the Disclosure Schedule.

(Purchase Agreement § 1.3.) Section 1.3 identifies only one Re–Bid Customer Contract: Cook County, Illinois. (SUF § 26.) G4S argues that because this adjustment provision addresses the treatment of Justice's pending bid proposals for future contracts, it “is controlling as to the treatment of the bid for the NCDOC contract.” (Mem. at 11.) G4S therefore asserts that “Sentinel cannot establish any breach of the Purchase Agreement based on the NCDOC's rejection of Justice's bid proposal under the more general representation and warranty provisions of the Purchase Agreement.” (*Id.*)

Under California law, “[t]o the extent practicable, the meaning of a contract must be derived from reading the whole of the contract[.]” *Zalkind v. Ceradyne, Inc.*, 194 Cal. App. 4th 1010, 1027 (2011). Individual provisions of a contract must be “interpreted together[ ] in order to give effect to all provisions and to avoid rendering some meaningless.” *Id. See also* Cal. Civ. Code § 1641. “[W]hen general and specific provisions of a contract deal with the same subject-matter, the specific provisions, if inconsistent with the general provisions, are of controlling force.” *Scudder v. Perce*, 159 Cal. 429, 433 (1911).

***5** However, section 1.3 and Article 4 of the Purchase Agreement are not fundamentally inconsistent with each other. Section 1.3 addresses the financial consequence of failed bid proposals for existing Re–Bid Customer Contracts, whereas Article 4 of the Purchase Agreement provides warranties for representations as to Justice's material contracts, customers, and suppliers. Section 1.3 does not address the situation where the seller presents an “untrue statement of material fact or omit[s] to state any material fact” in the Purchase Agreement that would make the statements contained in Article 4 “misleading.” (*See* Purchase Agreement § 4.23.) Sentinel does not assert that the NCDOC's rejection of Justice's bid, by itself, establishes a breach of the Purchase Agreement or entitles Sentinel to a financial reduction in sale price. Rather, Sentinel argues that the omission of material facts renders the representations in Article 4 misleading or false. (Opp. at 13–14.) Here, the Court finds that Article 4 and section 1.3 do not “deal with the same subject-matter” and are therefore not “inconsistent” with each other. *See* *Scudder*, 159 Cal. at 433. Accordingly, Sentinel's claims for breach of representations and warranties and breach of written contract do not fail as a matter of law on this basis.

G4S then argues that summary judgment is proper because Sentinel has failed to establish a breach of any representation or warranty in Article 4. As to Section 4.25(a), G4S argues that this section cannot apply to a “bid for a contract that had not yet been awarded” because “it would be impossible for the NCDOC to ‘materially reduce its business’ with Justice pursuant to [ ] a non-existent contract.” (Mem. at 15.) However, it is undisputed that the NCDOC was identified as a “Material Customer” under this provision. (Agreement Disclosure Schedule 4.25.) Moreover, Justice made Sentinel aware of Justice's pending bid with the NCDOC during

negotiations of the Purchase Agreement., suggesting that the NCDOC would continue its business with Justice. (SUF ¶¶ 24, 25.) Further, the language of section 4.25(a) is forward looking, as it requires the seller to attest to whether a Material Customer has disclosed an *intent* to reduce or terminate its relationship with Justice. Finally, a different provision of the Purchase Agreement governs "Material Contracts," (*see* Purchase Agreement § 4.12), suggesting that section 4.25 is not limited to contracts then-existing when the Purchase Agreement was negotiated. Accordingly, the Court is not persuaded that section 4.25(a) does not apply to Sentinel's claim.

Moreover, the Court finds that triable issues of material facts exist as to G4S' alleged breach of sections 4.25(a) and 4.23. A reasonable jury could find that the NCDOC's clarification request to Justice constituted a "threat" to terminate its relationship, especially given the NCDOC's October addendum regarding the possible consequences of failing to comply with all RFP requirements. This same request could similarly constitute an intention to materially reduce its business with Justice. The omission of potentially material facts such as (1) the NCDOC's Clarification request, (2) the NCDOC's October addendum regarding bid requirements, (3) Justice's internal communications and knowledge of their potential non-compliance, and (4) Justice's clarification response, may also render the representations in Article 4 sufficiently "misleading" to constitute a breach of section 4.23. In the context of claims for breach of warranty and breach of contract, whether a fact is "material" and is therefore required to be disclosed "is a question of fact for the jury, 'unless the fact misrepresented is so obviously unimportant that the jury could not reasonably find that a reasonable man would have been influenced by it.' " *Persson v. Smart Inventions, Inc.*, 125 Cal. App. 4th 1141, 1163 (2005) (internal quotation marks and citation omitted). The Court does not find the NCDOC's communications with Justice "so obviously unimportant" as to render the claim deficient as a matter of law. *See id.*

Thus, whether the NCDOC's communications and Justice's internal and external responses either (1) disclosed an intention to materially reduce its business with Justice, (2) threatened to terminate its relationship with Justice, or (3) were material such that their omission from Article 4 rendered the contained representations misleading are questions of fact for the jury, not the Court. Accordingly, the Court DENIES summary judgment as to Sentinel's claims for breach of representations and warranties and breach of written contract.

**B. Fraud and Negligent Misrepresentation**

***6** The Court then addresses Sentinel's claims for fraud and negligent misrepresentation. To assert fraud, a plaintiff must establish: "(a) misrepresentation (false representation, concealment, or nondisclosure); (b) knowledge of falsity (or 'scienter'); (c) intent to defraud, i.e., to induce reliance; (d) justifiable reliance; and (e) resulting damage." *Engalla v. Permanente Med. Grp., Inc.*, 15 Cal. 4th 951, 974 (1997) (citation omitted). To assert negligent misrepresentation, a plaintiff must establish the same elements except that, rather than demonstrating knowledge of falsity, the plaintiff must demonstrate that the defendant had no reasonable grounds for believing the representation to be true. *See* *Fox v. Pollack*, 181 Cal. App. 3d 954, 962 (1986). Sentinel bases its claims for fraud and negligent misrepresentation on three alleged misrepresentations, one of which is a written email representation by Susanne Jorgensen concerning the views of Justice's management as to the pending NCDOC bid. (FAC ¶ 70.) Because we conclude that there is an issue of fact for the jury as to this representation, we need not address Sentinel's other bases for its claims.

Specifically, Contestabile emailed Jorgensen requesting, among other things, Justice management's expectations as to the two outstanding bids for the NCDOC and Cook County. (SUF ¶ 27.) Contestabile noted that Sentinel was seeking "anything that we can produce that will give comfort to the lender regarding our ability to retain and grow the revenue side of the business." (*Id.*) Jorgensen forwarded this email to Darryl Martin and Blake Beach to request their input. (*Id.* ¶ 28.) As to the NCDOC bid, Martin responded:

> The customer is currently evaluating RFP proposals and as such has extended the current agreement through 10/2012. There appears to be three viable bidders for this opportunity (3M—ProTech, BI, and G4S—Elmo Tech) and we are aware the agency is currently preparing to test BI equipment. The service element of our offering is solid and will not cause the agency to entertain other proposals. However, price has been

> identified as a major concern of the customer, which is the reason they elected to release a bid earlier than mandated. BI has demonstrated a recent propensity toward submitting low price proposals. However, there are certain administrators at NC DOC that are not fond of BI and some of their past experiences with that organization. With that said and notwithstanding the price concerns, we have a 50% probability of receiving the contract award. If price becomes a significant factor, I am lowering my expectations to 40%.

(SUF ¶ 29; Jorgensen Decl. Ex. 6.) Martin's email further stated that as to the Cook County contract, he "feel[s] very confident in [Justice's] position" and estimated a 50% chance that Justice would be awarded the contract. (SUF ¶ 30.) When Beach reviewed Martin's email, he recommended that Jorgensen remove specific probability percentages from her response to Contestabile. (*Id.* ¶ 31.) Jorgensen then sent an email to Contestabile that repeated Martin's views. (*Id.* ¶ 32.) However, based on Beach's feedback, Jorgensen's response eliminated any reference to a probability expectation as to the Cook County contract, and it replaced the 40% and 50% estimations for the NCDOC contract with a statement that Justice "ha[s] a good probability of receiving the contract award." (Jorgensen Decl. Ex. 7.) Both Beach and Martin were copied on Jorgensen's response to Contestabile, and neither responded to her email. (SUF ¶ 33.) Beach has since confirmed that the email accurately reflected his views, but Martin states that his 50% estimation did not amount to a "good probability." (*Id.* ¶ 33; AMF ¶ 22.)

G4S argues that because the content of Jorgensen's email is neither false nor a misrepresentation, Sentinel's claims for fraud and negligent misrepresentation fail as a matter of law. (Mem. at 23–24.) However, it is undisputed that Jorgensen altered Martin's language by replacing his sliding estimations of 40% and 50% with a blanket statement that Justice has a "good probability" of receiving the NCDOC contract. (Jorgensen Decl. Ex. 7.) When viewed in the light most favorable to the non-moving party, a reasonable fact-finder could conclude that the "good probability" substitution constitutes a misrepresentation, especially given Martin's lower probability estimations when considering the "major concern" and potentially "significant factor" of price. (*Id.*) Moreover, "[w]hether a statement is nonactionable opinion or actionable misrepresentation of fact is a question of fact for the jury." *PhotoMedex, Inc. v. Irwin*, 601 F.3d 919, 931 (9th Cir. 2010) (citation omitted). Whether this substitution amounts to a misrepresentation—as well as an *actionable* misrepresentation—is therefore a genuine issue of material fact that should be before the jury, not the Court.

***7** Summary judgment is not appropriate where the movant fails to demonstrate the absence of a genuine issue of material fact and entitlement to judgment as a matter of law. *Celotex*, 477 U.S. at 322–23. Accordingly, because a genuine issue of material fact remains, the Court DENIES summary judgment as to Sentinel's claims for fraud and negligent misrepresentation.

## V. CONCLUSION

For the foregoing reasons, the Court DENIES Defendant's Motion.

### All Citations

Not Reported in Fed. Supp., 2015 WL 13546229

Footnotes

1 Unless otherwise noted, cited evidence is either undisputed and not objected to or is objected to and any objection is overruled.

2 G4S asserts that California law applies due to a California choice of law provision in the Purchase Agreement. (*See* Mem. at 7, quoting Purchase Agreement § 8.9, FAC Ex. A, Doc. 24–1 (stating that the Purchase Agreement "shall be governed by, construed and enforced under and in accordance with the laws of the State of California.").) Under California law, a valid choice of law provision will be enforced where the chosen state "has a substantial relationship to the parties or the transaction." *ABF Capital Corp. v. Osley*, 414 F.3d 1061, 1065 (9th Cir. 2005). "A substantial relationship exists where one of the parties is domiciled or incorporated in the chosen state." *Id.* Sentinel, whose principal place of business is in

  

California, does not challenge the applicability or enforceability of this choice of law provision. (*See* FAC ¶ 2.) Accordingly, the Court applies California law to Sentinel's claims.

**End of Document**