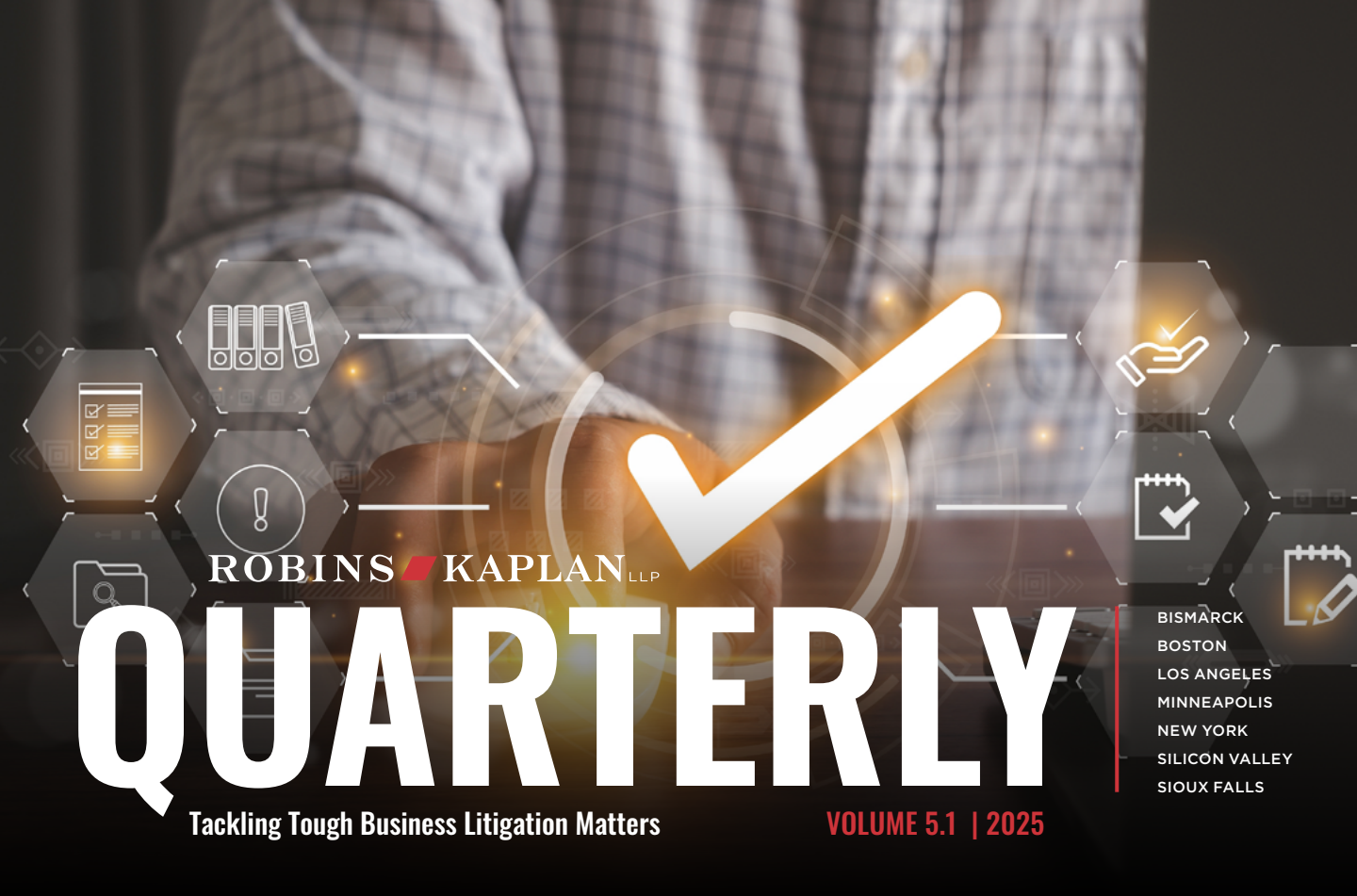




ROBINS  KAPLAN ^{LLP}

QUARTERLY

Tackling Tough Business Litigation Matters

VOLUME 5.1 | 2025

BISMARCK
BOSTON
LOS ANGELES
MINNEAPOLIS
NEW YORK
SILICON VALLEY
SIOUX FALLS

The Evolving Role of Internal Corporate Investigations: Why Proactive Oversight Matters More Than Ever

BY B. TODD JONES

As the corporate landscape continues to evolve under the Trump administration and becomes less regulated at the federal level, the role of internal investigations has transformed from a reactive necessity into a proactive safeguard.

Once considered a last resort in response to crises, today, an effective internal investigation is becoming a vital mechanism for ensuring compliance, managing risk, and maintaining the ethical backbone of an organization.

READ MORE ON PAGE 2

IN THIS ISSUE:

The Evolving Role of Internal Corporate Investigations

B. Todd Jones talks about how the role of internal investigations has transformed from a reactive necessity into a proactive safeguard.

COVER ARTICLE

Board Governance in the Age of AI

Anne Lockner explores the governance challenges posed by AI note-taking tools and offers strategies to mitigate these risks while harnessing the benefits of AI responsibly.

PAGE 5

Front and Center

The latest and greatest at Robins Kaplan.

PAGE 9

REWRITING THE ODDS

800 553 9910
ROBINSKAPLAN.COM

Recent Regulatory Shifts Under the Trump Administration

The Trump administration has initiated significant shifts in the regulatory landscape, emphasizing deregulation across a variety of industries, including financial services, healthcare, and environmental protections.

The administration's approach has focused on reducing what it deemed burdensome regulations, promoting economic growth and business expansion.

However, this regulatory rollback has shifted greater responsibility to corporations to self-regulate, making internal investigations even more crucial.

Why Internal Investigations?

At its core, an internal investigation serves as a mirror into corporate culture. Companies that prioritize proactive investigations acknowledge that they are operating in an uncertain environment where transparency and accountability are increasingly paramount.

Government scrutiny, shareholder activism, and public demand for corporate responsibility highlight the importance of ensuring internal controls and protocols are maintained for the long term.

For board members and executives, these investigations are more than just a legal obligation; they are a demonstration of corporate due care and responsible, decisive leadership.

By establishing an investigative framework and rhythm, corporations can preemptively address issues ranging from regulatory inquiries to internal complaints, laying the groundwork for trust and accountability, and mitigating risk early in a crisis.

Building the Right Team for Effective Inquiry

The success of an internal investigation hinges on assembling a team equipped with the right skills, objectivity, and independence. While in-house counsel may be familiar with the company's operations, they may also face conflicts of interest, especially if their loyalty to the company conflicts with legal duties.

To avoid those issues, organizations often find value in engaging independent special counsel. With no ties to the company, special counsel can provide a level of impartiality that boosts the investigation's credibility.

Additionally, special counsel often has insights into regulatory landscapes and developing legal trends, enabling them to navigate the intricacies of potential civil or criminal proceedings effectively and efficiently.



For board members and executives, these investigations are more than just a legal obligation; they are a demonstration of corporate due care and responsible, decisive leadership.

Swift and Thorough Execution

Promptness in investigating internal matters is paramount, not only in gathering accurate information but in reinforcing a culture of accountability. A well-structured, timely inquiry enables organizations to uncover issues quickly and take corrective action, often deterring similar incidents in the future.

Delays, on the other hand, may result in regulatory penalties, prolonged harm to corporate reputation, and potentially costly legal actions. Investigations conducted efficiently can yield a wealth of insights from document reviews, witness interviews, and occasionally, surveillance or workplace searches.

These strategies, though sometimes contentious, when used judiciously and within legal boundaries, allow organizations to uncover vital information without compromising trust.

Navigating Legal and Ethical Challenges

Internal investigations must balance between gathering information and respecting legal and ethical boundaries. Surveillance and searches, for instance, can provide necessary data but must be executed with care to avoid invasion of privacy claims or defamation.

For public sector employers, searches must comply with Fourth Amendment protections, whereas private sector employers often have broader discretion. Yet, all employers should proceed with caution to avoid legal repercussions, which can arise from overreach in investigations.

Confidentiality is also paramount in protecting both the company and the individuals involved. To uphold this confidentiality, many corporations employ legal counsel to conduct interviews and maintain attorney-client privilege, ensuring that sensitive information remains protected.

The work-product doctrine can also shield materials prepared in anticipation of litigation, enabling counsel to pursue the truth without fear that findings will be exposed prematurely or misused. Having a skilled investigative team with the ability to adapt to a company's particular needs reinforces confidentiality throughout an investigation.

The Critical Role of Documentation and Reporting

Documentation is not only essential to the investigation process but a key factor in how a company responds and learns from each situation. The “Working Chronology”—a detailed, privileged timeline of events—serves as a roadmap for the investigation, documenting key evidence and interviews as they unfold.

Such records guide investigators, offering a comprehensive, up-to-date overview of an investigation while remaining protected by privilege.

The final investigative report represents the culmination of an investigation and is a critical document for leadership. It can provide management with insights, inform regulatory responses, and guide corrective measures.

These reports are not only valuable in cases of legal review but also in setting a precedent for how future investigations will be conducted, reinforcing an organization's commitment to ethical and lawful operations.

Lessons in Accountability and Transparency

In today's corporate climate, the value of an effective internal investigation cannot be overstated. It is not merely about addressing immediate misconduct but about demonstrating a culture that values integrity and accountability.

When carried out effectively, these investigations serve as a testament to corporate responsibility, guiding companies toward a more transparent, ethical path forward.

By embracing thorough investigations as part of regular corporate operations, organizations not only protect themselves from potential liabilities but also strengthen the trust placed in them by employees, stakeholders, and the broader community.

CONCLUSION

The evolving regulatory landscape under the Trump administration has reinforced the need for corporate vigilance. With reduced federal oversight, companies must take the lead in self-regulation and proactive compliance efforts.

Internal investigations are no longer optional but essential for maintaining integrity, managing risk, and ensuring accountability. By investing in robust investigative frameworks, corporations can navigate the complexities of modern business with confidence and resilience.

Reprinted with permission from the April 7, 2025 edition of the "New York Law Journal"
© 2025 ALM Global Properties, LLC. All rights reserved.

*Further duplication without permission is prohibited, contact 877-256-2472
or asset-and-logo-licensing@alm.com.*



B. TODD JONES

B. Todd Jones is a partner in Robins Kaplan's Minneapolis and New York offices, bringing a wealth of experience from his distinguished legal career. His diverse background includes extensive experience in the military, federal law enforcement, and private sectors, making him a trusted advisor to corporations facing complex regulatory challenges.

| Connect with B. Todd



Board Governance in the Age of AI:

Navigating Risks of Note-Taking Tool

BY ANNE LOCKNER

Recently, during a virtual meeting of a board-of-directors committee, the chair noticed one of the absent committee members had suddenly appeared in attendance. But after closer review, the chair realized it was not the human board member who had joined, but rather, the member's "AI assistant" that automatically joins any meeting listed on the missing board member's calendar, summarizes meeting content, and then circulates notes to all those included on the meeting appointment. This is a scary scenario for many organizations, but especially for those like boards and board committees, whose meetings are the backbone for corporate governance.

Artificial intelligence (AI) tools are rapidly transforming the way organizations conduct business, manage information, and communicate, including AI-powered note-taking tools, which promise increased efficiency by transcribing meetings, summarizing discussions, and providing actionable insights. While these tools offer convenience and utility, they also introduce significant governance risks—particularly for corporate boards, where confidentiality, privilege, and trust are paramount.

Boards must tread carefully when incorporating AI tools into their workflows. AI note-taking tools, if not implemented thoughtfully, can inadvertently compromise

the confidentiality of board discussions, including privileged communications and sensitive executive-session deliberations. This article explores the governance challenges posed by AI note-taking tools and offers strategies to mitigate these risks while harnessing the benefits of AI responsibly.

AI note-taking tools use advanced natural language processing to transcribe conversations in real time, summarize key points, and even suggest follow-up actions. For boards, these tools promise to streamline processes, improve documentation accuracy, and free up directors and corporate secretaries to focus on strategic decision-making rather than minutes-taking.

The sensitive nature of board discussions, however, makes the use of such tools far more complex than their adoption in routine business contexts. Boardrooms are the epicenter of organizational strategy, risk management, and governance, often dealing with highly confidential and legally sensitive matters. As such, the use of AI in these spaces cannot be undertaken lightly.

KEY GOVERNANCE RISKS

Confidentiality Breaches

AI note-taking tools process data in ways that can expose sensitive boardroom information to unintended parties. Many tools rely on cloud-based platforms for transcription and analysis, creating the risk of unauthorized access or data breaches. If confidential information about mergers, acquisitions, strategic plans, or litigation is compromised, the organization could face legal, reputational, and competitive harm.

Loss of Privileged Communications

Certain board discussions are protected by attorney-client privilege. Introducing an AI note-taking tool into these discussions can inadvertently waive privilege if the tool is not adequately secured or its use is not carefully controlled. The loss of privilege can expose sensitive information in future legal proceedings or be used to competitively disadvantage the company.

Compromising Executive-Session Privacy

Executive sessions allow boards to deliberate privately without the presence of management or external advisors. These sessions are critical for candid discussions, particularly regarding performance evaluations, succession planning, or sensitive governance matters. Recording or transcribing these discussions with AI tools risks eroding the sanctity of the executive session and may deter directors from speaking openly.

Regulatory and Legal Risks

Depending on the jurisdiction and industry, boards may face regulatory obligations to safeguard certain types of information. For example, healthcare and financial services boards may handle data protected under HIPAA or GLB regulations. The use of AI tools that do not comply with these requirements can expose the organization to penalties and litigation.

Data Ownership and Vendor Risks

Many AI tools are provided by third-party vendors who may assert ownership or access rights over the data processed by their platforms. Boards must carefully assess whether their chosen tool's terms of service adequately protect the organization's intellectual property and sensitive information.

BEST PRACTICES FOR RESPONSIBLE USE OF AI NOTE-TAKING TOOLS

Boards seeking to leverage AI tools while safeguarding governance integrity should adopt the following strategies:

Assess Necessity and Scope

Before adopting an AI note-taking tool, boards should critically assess whether the tool is necessary and appropriate for their context. In some cases, traditional note-taking methods may be more suitable for preserving confidentiality and privilege.

Choose the Right Tool

Not all AI tools are created equal. Boards should conduct thorough due diligence to select tools designed with robust security features, such as end-to-end encryption, data localization, and compliance with relevant regulations. Tools that allow local data storage rather than cloud processing may offer enhanced security.



Boards must carefully assess whether their chosen tool's terms of service adequately protect the organization's intellectual property and sensitive information.

Establish Clear Usage Policies

Boards should develop and enforce policies governing the use of AI tools, including:

- Prohibiting the use of AI tools during executive sessions or privileged discussions.
- Restricting access to AI-generated transcripts and summaries to authorized personnel only.
- Implementing protocols for having an attendee or corporate secretary review and revise AI-generated notes to ensure accuracy and then delete AI-generated data not required for preservation.

Engage Legal Counsel

Legal counsel should be consulted to ensure the use of AI tools does not compromise attorney-client privilege or violate regulatory requirements. Counsel can also advise on contractual terms with vendors to protect the organization's interests.

Provide Training for Directors and Staff

Directors and board staff must understand the risks associated with AI tools and how to use them responsibly. Training should include guidance on identifying sensitive discussions where AI tools should not be used.

Monitor and Review

The board should periodically review the use of AI tools to ensure they remain appropriate and secure. This includes monitoring for updates to vendor terms of service, changes in regulatory landscapes, and advancements in AI technology that may introduce new risks or opportunities.

AI note-taking tools can potentially enhance board efficiency and governance, but only if implemented thoughtfully and cautiously. Boards must balance the benefits of these tools with the need to preserve confidentiality, privilege, and trust. By adopting a proactive and informed approach, boards can navigate the risks of AI responsibly while reaping its advantages.

The boardroom is a unique environment where the stakes are high, and the margin for error is small. As AI tools become increasingly integrated into corporate governance, board members must remain vigilant about the risks and ensure their use aligns with best practices in governance and compliance.

AI tools are not inherently problematic, but their misuse can have profound consequences. For board members, the guiding principle should be clear: Technology must serve governance, not undermine it. By prioritizing confidentiality, privilege, and the integrity of executive discussions, boards can embrace innovation without compromising their core responsibilities.



ANNE LOCKNER

Anne Lockner is a partner in the firm's Business Litigation Group who handles complex business disputes, including fiduciary disputes that arise among companies and their shareholders, officers, and directors.

| Connect with Anne

FRONT AND CENTER



ROBINS KAPLAN LLP ACCEPTS \$2 MILLION OFFER OF JUDGMENT AFTER 19-YEAR-OLD DIES IN NORTH DAKOTA JAIL

Robins Kaplan LLP has accepted a \$2 million offer of judgment for client Jessica Allen, following her daughter Lacey Higdem's death nine hours after being admitted to the Rolette County Jail in Rolla, North Dakota. Rolette County made the offer on behalf of itself and two of its former correctional officers.

On June 3, 2020, Ms. Higdem was found hallucinating and distressed in the woods by law enforcement. She was under the influence of methamphetamine and after being medically cleared at a hospital, she was booked into the Jail.

From there, Ms. Higdem, who was an otherwise healthy 19-year-old woman, experienced worsening effects of the drug. Jail video shows she was exhibiting signs of someone who needed urgent medical attention, but no action was taken by correctional authorities. Ms. Higdem struggled to stand on her own, hit her head on the wall, talked to people who weren't there, scratched her legs raw, and urinated on herself.

Correctional officers did not seek medical care for Ms. Higdem, despite other inmates repeatedly pressing the "emergency" button out of concern. Instead, court documents allege the two officers watched TV in the control room and engaged in intimate contact with each other. After midnight, when one officer finally checked on her, Ms. Higdem was unresponsive. Instead of giving CPR per his training, the officer left Ms. Higdem alone to find someone else to give CPR and called his boss, Sheriff Nathan Gustafson, before alerting an ambulance. Ms. Higdem was pronounced dead at 12:42 a.m.

Following Ms. Higdem’s death, Sheriff Gustafson issued a public statement primarily blaming the incident on an “overwhelming drug problem.” He never disciplined the correctional officers for their failings that night. The Jail also had a history of rule violations relating to inmate life and safety under Sheriff Gustafson’s watch that were not fixed prior to Ms. Higdem’s admission.

“My daughter Lacey was only 19 years old when she passed away. She was scared, vulnerable, and needed help. Instead, she was ignored and left to die. These two correctional officers mocked Lacey instead of helping her. No mother should have to live with the pain of knowing her child suffered alone when she could have been saved,” said Jessica Allen.

Robins Kaplan LLP partner and lead counsel Andrew Noel added, “Lacey’s death is not just a local tragedy—it’s a symptom of a nationwide crisis across U.S. jails. People should not be left to suffer and die in a cell due to neglect and indifference. If we allow stories like Lacey’s to be ignored, we risk reinforcing a system where human life is treated as disposable. We hope this case serves as a stark reminder that greater accountability, stronger oversight, and reform of the correctional healthcare system is needed so the sanctity of life prevails over complacency and contempt.”

“The work in this case by Robins Kaplan LLP’s civil rights group is simply ground-breaking for North Dakota,” said Robins Kaplan partner Tim Purdon. Purdon, who is the managing partner of the firm’s Bismarck, North Dakota office added, “I have been practicing law in North Dakota for nearly 30 years and this will be the largest jail death judgment in North Dakota that I am aware of.”

This comes after **Robins Kaplan’s civil rights team** previously obtained the largest known civil rights settlement in North Dakota back in 2023 against an organization following the suicide of a minor for \$2.9 million.

The civil rights team representing Ms. Allen includes **Andrew Noel, Tim Purdon, Marc Betinsky, and Julie Moroney.**



ANDREW NOEL



TIM PURDON



MARC BETINSKY



JULIE MORONEY

ROBINS KAPLAN ANNOUNCES 2025 EXECUTIVE BOARD

Anthony Froio has been re-elected by the Board to serve as Chair of the Executive Board and Managing Partner of the firm.

The following partners have been newly elected to two-year board terms:

- **Melissa D'Alelio**, Chair of the Insurance and Catastrophic Loss Group
- **Cyrus Morton**, Chair of the Patent Office Trials Group

The following partners have been re-elected to two-year board terms:

- **Jake Holdreith**, Health and Life Sciences Industry Group Practice Group Leader and Managing Partner of the Minneapolis Office
- **David Martinez**, Member of the Diversity Committee and Pro Bono Chair of the Los Angeles Office

Katie Bennett, Deputy Chair of the Personal Injury, Medical Malpractice, and Civil Rights Group, and **Jason Pfeiffer** have each been appointed to a one-year board term.

The following partners will continue to serve on the Executive Board:

- **Michael Collyard**, Chair of the Banking and Financial Fraud Litigation Group and Chair of the Ediscovery Group
- **Brendan Johnson**, Chair of the National Business Litigation Group and Co-Chair of the Government and Internal Investigations Group

ROBINS KAPLAN RECOGNIZED AS “DISTINGUISHED” IN 2025 BTI MOST RECOMMENDED LAW FIRMS REPORT

Robins Kaplan has been named a “Distinguished” law firm in BTI Consulting Group’s *Most Recommended Law Firms 2025* report, earning more client recommendations than most firms of its size.

The report highlights a growing trend: corporate counsel are more open than ever to working with mid-sized firms. These firms, including Robins Kaplan, are redefining client service by delivering high-impact results, strong relationships, and a standout client experience. With a history of groundbreaking victories, the firm is seen as a trusted partner for clients navigating their most critical legal challenges.

“Client trust and confidence is the foundation of everything we do,” said Anthony Froio, Chair of the Executive Board and Managing Partner at Robins Kaplan. “This recognition reflects our ongoing commitment to anticipating client needs and delivering exceptional results.”

[READ MORE HERE](#)

ROBINS KAPLAN CELEBRATES 15 YEARS IN NEW YORK

This year, Robins Kaplan is proud to celebrate 15 years of success in New York. Since opening its doors in 2010, the New York office has remained dedicated to providing exceptional client service, growing its practice areas, and achieving outstanding legal victories.

“I am incredibly proud of how we’ve served our clients and grown our office over the past 15 years,” said Oren Langer, Managing Partner of the New York office. “With the talent and dedication of our attorneys and business professionals, I am confident we will continue to evolve and thrive in the years to come.”

Attorneys in the New York office have secured remarkable legal victories over the years, including some of the firm’s most significant accomplishments in recent history:

- **\$1.2 Billion Settlement in Auto Parts Antitrust Litigation:** After a 12-year legal battle, Robins Kaplan achieved a historic settlement for victims of price-fixing, bid-rigging, and market allocation in the auto parts industry. This case marked the largest criminal antitrust investigation in U.S. history, with final court approval granted in January 2023.
- **\$1.2 Billion Cumulative Recovery in *In re Air Cargo Shipping Services Litigation*:** The firm secured over \$1.2 billion in settlements from nearly three dozen global air carriers, resolving claims of price-fixing in the air cargo industry without going to trial.
- **\$358 Million Settlement** in Benicar Litigation: Robins Kaplan led the multidistrict litigation against the makers of Benicar®, a blood pressure medication linked to severe intestinal problems, achieving a global settlement that resolved thousands of claims.
- **Intellectual Property and Technology Successes:** The firm has successfully represented clients such as Celgard LLC, Amneal Pharmaceuticals, Inc., and Voice Age EVS, LLC in high-profile IP and technology cases, securing favorable outcomes through both trial and settlement.

[READ MORE HERE](#)

