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**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON**

MARK SISLEY,

Plaintiff,

v.

PRUDENTIAL INSURANCE
COMPANY OF AMERICA,
Defendant.

Case No.:

**COMPLAINT FOR BREACH OF
THE EMPLOYEE RETIREMENT
INCOME SECURITY ACT OF
1974 (“ERISA”);
ENFORCEMENT AND
CLARIFICATION OF RIGHTS;
PRE-JUDGMENT AND POST-
JUDGMENT INTEREST AND
ATTORNEYS’ FEES AND
COSTS.**

Action Filed:
Trial Date:

COMPLAINT



1 Plaintiff Mark Sisley herein sets forth the allegations of his Complaint against
2 defendant Prudential Insurance Company of America (“Prudential”).

3 **PRELIMINARY ALLEGATIONS**

4 1. “Jurisdiction” – This action is brought under 29 U.S.C. §§ 1132(a), (e),
5 (f) and (g) of the Employee Retirement Income Security Act of 1974 (hereinafter
6 “ERISA”) as it involves a claim by Plaintiff for employee benefits under an employee
7 benefit plan regulated and governed under ERISA. Jurisdiction is predicated under
8 these code sections as well as 28 U.S.C. § 1331 as this action involves a federal
9 question. This action is brought for the purpose of recovering benefits under the terms
10 of an employee benefit plan, enforcing Plaintiff’s rights under the terms of an
11 employee benefit plan, and to clarify Plaintiff’s rights to future benefits under an
12 employee benefit plan. Plaintiff seeks relief, including, but not limited to, payment
13 of benefits, prejudgment and post-judgment interest, reinstatement to the benefit plans
14 at issue herein, and attorneys’ fees and costs.

15 2. Plaintiff was at all times relevant, an employee of Microsoft Corporation
16 (“Microsoft”) and a resident of King County in the State of Washington.

17 3. Plaintiff is informed and believes that defendant Prudential is a
18 corporation existing under the laws of Indiana with its principal place of business in
19 the State of Pennsylvania, authorized to transact and transacting business in the
20 Western District of Washington and can be found in the Western District of
21 Washington. Prudential is the insurer of long term disability benefits under the
22 Microsoft Corporation Long Term Disability Plan (“LTD Plan”). The LTD Plan is
23 located in Washington. Prudential acts in the capacity of the claims administrator for
24 both the LTD Plan and the Microsoft Corporation Short Term Disability Plan (“STD
25 Plan”). Prudential administered the claim with a conflict of interest and the bias this
26 created affected the claims determination.

27 4. Plaintiff is informed and believes that Prudential identifies the group
28 long term disability policy it issued to Microsoft as Group Policy No. G-43994-WA

COMPLAINT

1 (“the Policy”).

2 5. Plaintiff is informed and believes that the Policy was intended by
3 Microsoft to insure citizens of the State of Washington, including Plaintiff herein,
4 Mark Sisley.

5 6. Plaintiff is informed and believes that the Policy was first issued in 2019
6 and has been annually renewed since that date.

7 7. Pursuant to the terms and conditions of the LTD Plan, Plaintiff is entitled
8 to LTD benefits for the duration of Plaintiff’s disability, for so long as Plaintiff
9 remains disabled as required under the terms of the LTD Plan, with those benefits
10 correctly calculated pursuant to the terms of the LTD Plan.

11 8. Defendant and Plaintiff can be found in this judicial district. Thus, venue
12 is proper in this judicial district pursuant to 29 U.S.C. § 1132(e)(2).

13 **FIRST CAUSE OF ACTION**

14 **AGAINST PRUDENTIAL INSURANCE COMPANY OF AMERICA**

15 **FOR PLAN BENEFITS,**

16 **ENFORCEMENT AND CLARIFICATION OF RIGHTS,**

17 **PREJUDGMENT AND POSTJUDGMENT INTEREST, AND**

18 **ATTORNEYS’ FEES AND COSTS**

19 **(29 U.S.C. § 1132(a)(1)(B))**

20 9. Plaintiff incorporates by reference all preceding paragraphs as though
21 fully set forth herein.

22 10. At all times relevant, Plaintiff was employed by Microsoft and was a
23 covered participant under the terms and conditions of the LTD Plan. The LTD Plan
24 was insured by Defendant Prudential and Prudential was also the Plan claims
25 administrator, and made all decisions to pay or deny benefit claims.

26 11. Plaintiff enrolled in the LTD Plan as a Class 3 employee, which entitles
27 him to 60% of his “monthly earnings” as defined by the Policy to a maximum benefit
28 amount of \$15,000 per month.

1 12. During the course of Plaintiff’s employment, Plaintiff became entitled to
2 benefits under the terms and conditions of the LTD Plan. Specifically, while
3 Plaintiff was covered under the LTD Plan; Plaintiff suffered a disability rendering
4 Plaintiff disabled as defined under the terms of the LTD Plan.

5 13. Pursuant to the terms of the LTD Plan, Plaintiff made a claim to
6 Prudential for STD and LTD benefits under the STD and LTD Plans.

7 14. Prudential approved Plaintiff’s STD and LTD claim on August 2, 2024.

8 15. On September 4, 2024, Prudential declined Plaintiff’s request to include
9 his stock awards as part of his earnings on which his disability payment is based. The
10 Policy defines Monthly Earnings as: “your gross monthly income from your Employer
11 in effect just prior to your date of disability. Monthly earnings includes your base
12 salary and the average commissions, bonuses and overtime pay earned per month
13 during the shorter of: (i) the 12 month period just prior to your date of disability; or
14 (ii) your period of employment. Monthly earnings does not include income received
15 from any other extra compensation, or income received from sources other than your
16 Employer.”

17 16. The Policy does not reference how stock awards should be considered
18 for purposes of determining Monthly Earnings and therefore the definition and
19 calculation of Monthly Earnings is ambiguous.

20 17. Per Microsoft’s stock plan, its internal communications and its public
21 filings, Microsoft provides stock awards to employees to incentivize performance and
22 reward employees for their work. As such, a large portion of an employee’s regular
23 annual earnings is often paid by Microsoft through stock awards as part of a
24 performance bonus package.

25 18. The Ninth Circuit has already considered this issue and confirmed that,
26 where a disability insurance policy does not define “bonus,” awards of stock for
27 performance-based reasons should be considered a “bonus” under the policy.

28 19. Plaintiff timely filed an appeal protesting this decision, and Prudential

COMPLAINT

1 upheld its denial in its appeal letter dated October 29, 2024.

2 20. Plaintiff has exhausted his administrative remedies under the Plan.

3 21. Prudential breached the LTD Plan and violated ERISA in the
4 following respects:

5 (a) Failing to pay the full amount of LTD benefit payments owed to
6 Plaintiff at a time when Prudential knew, or should have known, that Plaintiff
7 was entitled to those benefits under the terms of the LTD Plan. Even though
8 Prudential had such knowledge, Prudential denied payment of the correct
9 amount of Plaintiff's LTD benefits;

10 (b) Failing to provide a prompt and reasonable explanation of the
11 basis relied on under the terms of the LTD Plan documents, in relation to the
12 applicable facts and LTD provisions, for the denial of Plaintiff's claims for the
13 correct calculation of his LTD benefits;

14 (c) After Plaintiff's claim was denied in whole or in part, Prudential
15 failed to adequately describe to Plaintiff any additional material or information
16 necessary for Plaintiff to perfect his claim along with an explanation of why
17 such material is or was necessary; and

18 (d) Failing to properly and adequately investigate the merits of
19 Plaintiff's claim and failing to provide a full and fair review of Plaintiff's
20 claim.

21 22. Plaintiff is informed and believes and thereon alleges that Prudential
22 wrongfully denied his benefits under the LTD Plan by other acts or omissions of
23 which Plaintiff is presently unaware, but which may be discovered in this future
24 litigation and which Plaintiff will immediately make Prudential aware of once said
25 acts or omissions are discovered by Plaintiff.

26 23. Following the denial of benefits, Plaintiff exhausted all administrative
27 remedies required under ERISA, and Plaintiff has performed all duties and
28 obligations on Plaintiff's part to be performed under the LTD Plan.

COMPLAINT

1 24. As a proximate result of the aforementioned wrongful conduct of
2 defendants, Plaintiff has damages for loss of disability benefits in a total sum to be
3 shown at the time of trial.

4 25. As a further direct and proximate result of this improper determination
5 regarding Plaintiff's claims, Plaintiff, in pursuing this action, has been required to
6 incur attorneys' costs and fees. Pursuant to 29 U.S.C. § 1132(g)(1), Plaintiff is entitled
7 to have such fees and costs paid by Defendants.

8 26. The wrongful conduct of Prudential has created uncertainty where none
9 should exist, therefore, Plaintiff is entitled to enforce his rights under the terms of the
10 LTD Plan and to clarify his right to future benefits under the terms of the LTD Plan.

11 **REQUEST FOR RELIEF**

12 WHEREFORE, Plaintiff prays for relief against Defendant as follows:

13 1. Retroactive payment of the correct amount of disability benefits due
14 Plaintiff up to and including the date of judgment;

15 2. An order declaring that Plaintiff is entitled to have the value of his stock
16 awards included in the calculation of his Monthly Earnings under the LTD Plan, and
17 that benefits are to continue to be paid under the LTD Plan with that correct calculation
18 for so long as Plaintiff remains disabled under the terms of the LTD Plan;

19 3. Pursuant to 29 U.S.C. § 1132(g), payment of all costs and attorneys' fees
20 incurred in pursuing this action;

21 4. Payment of prejudgment and post-judgment interest as allowed for under
22 ERISA; and

23 5. Such other and further relief as this Court deems just and proper.
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1 DATED: November 13, 2024

MONAHAN TUCKER LAW, P.C.

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3 By:



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