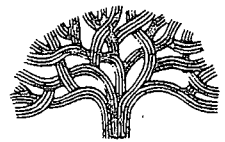


CITY OF OAKLAND

CITY OF OAKLAND



16 OCT 13 PM 3:30

ONE FRANK H. OGAWA PLAZA • 6TH FLOOR • OAKLAND, CALIFORNIA 94612

Office of the City Attorney
Barbara J. Parker
City Attorney

(510) 238-3601
FAX: (510) 238-6500
TTY/TDD: (510) 238-3254

October 18, 2016

HONORABLE CITY COUNCIL
Oakland, California

Subject: RESOLUTION APPROVING PARTIAL SETTLEMENT OF IN RE MUNICIPAL DERIVATIVES ANTITRUST LITIGATION, UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK, MDL NO. 1950, AUTHORIZING ACCEPTANCE OF PAYMENT FROM UBS AG OF \$75,000.00, ACCEPTANCE OF PAYMENT FROM PIPER JAFFRAY & CO. OF \$45,000.00, AND ACCEPTANCE OF PAYMENT FROM NATIXIS FUNDING CORP. OF \$70,000.00 IN EXCHANGE FOR DISMISSAL OF THE LAWSUIT BY THE CITY

Dear President Gibson McElhaney and Members of the City Council:

At closed session on October 4, 2016, the City Council considered a proposed settlement agreement with UBS AG, PIPER JAFFRAY & CO., and NATIXIS FUNDING CORP. to release UBS AG, PIPER JAFFRAY & CO., and NATIXIS FUNDING CORP. from claims or legal actions by the City of Oakland relating to the claims alleged in *In Re Municipal Derivatives Antitrust Litigation*, MDL No. 1950,¹ filed by the City.

The lawsuit alleged that in violation of antitrust laws various financial institutions and brokers for their role in a longstanding conspiracy to fix prices and rig bids in the municipal derivatives industry. The City opted out of the class settlements, and continued to pursue individual negotiations with UBS AG, PIPER JAFFRAY & CO., and

¹ The City of Oakland (*City of Oakland v. AIG Financial Products Corp.*, United States District Court Case No. C 08-2116 MMC), and the County of Alameda filed separate actions in the Northern District of California, while the City of Fresno and the Fresno County Financing Authority each filed separate complaints in the Eastern District of California. All four of these cases were transferred by order of the Judicial Panel on Multidistrict Litigation to United States District Court Southern District of New York for pretrial coordination. For administrative purposes consistent with 14 U.S.C. § 1407, plaintiffs filed a joint amended complaint: *In Re Municipal Derivatives Antitrust Litigation*, MDL No. 1950.

7.11
MEETING OF THE
OAKLAND CITY COUNCIL
OCT 18 2016

October 18, 2016

Subject: Resolution Approving Settlement of Claims re
City of Oakland v. In Re Municipal Derivatives Antitrust Litigation

MDL No. 1950

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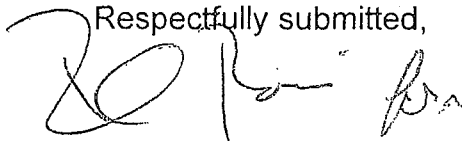
NATIXIS FUNDING CORP. for a larger settlements. Those negotiations led to settlements that are far more than the amounts of the City would likely have received under the nationwide class settlements.

The settlement proposals were for the City to accept payment of \$75,000 from UBS AG, of \$45,000 from PIPER JAFFRAY & CO., and of \$70,000 from NATIXIS FUNDING CORP. in exchange for release of from any potential claims or legal actions by the City of Oakland.

The City Council accepted the settlement proposals. Accordingly, we prepared this Resolution authorizing and directing the City Attorney to enter into a settlement agreement consistent with the terms of the settlement proposal to resolve the City's claims, and we request that the City Council adopt the Resolution.

The Council authorized settlement of this case in Closed Session on Tuesday, October 4, 2016 (moved by Councilmember Kaplan and seconded by Councilmember Reid – 7 Ayes, 1 Absent – Councilmember Gallo).

Respectfully submitted,



BARBARA J. PARKER
City Attorney

Attorney(s) Assigned:
Kathleen Salem-Boyd

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MEETING OF THE
OAKLAND CITY COUNCIL

OCT 18 2016