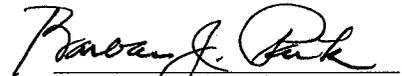


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City Attorney's Office

## OAKLAND CITY COUNCIL

RESOLUTION NO. = 86771 C.M.S.

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**RESOLUTION AUTHORIZING AND APPROVING SETTLEMENT OF THE CITY'S LAWSUIT AGAINST DEFENDANT AMBAC ASSURANCE CORPORATION IN THE AMBAC BOND INSURANCE CASES FOR AMBAC ASSURANCE CORPORATION'S, PAYMENT OF \$754,888.44**

**WHEREAS**, in 2008, the City filed *Ambac Bond Insurance Cases*, JCCP 4555, San Francisco Superior Court Case No. CJC-08-004555 (City of Oakland v. Ambac Financial Group, Inc., et al., San Francisco Superior Court Case No. CGC-08-479241) ("the Action"), alleging that various bond insurers violated antitrust laws by conspiring with each other and the major credit rating agencies to unfairly rate municipal bond issuances and committed fraud and breached their contracts with the City; and

**WHEREAS**, as a result of these egregious violations, the City of Oakland suffered hundreds of thousands of dollars of damages because the City had to pay higher prices for municipal bond insurance; and

**WHEREAS**, the City Council having been briefed on the proposed settlement of the Action against defendant Ambac Assurance Corporation ("Ambac Assurance") for the amount of seven hundred fifty-four, eight hundred eighty-eight dollars and forty-four cents (\$754,888.44); and

**WHEREAS**, after the deduction of fees and costs, the City's estimated *net* recovery from the proposed settlement will be approximately \$666,711.45; and

**WHEREAS**, the lawsuit will continue against the other defendants; now, therefore, be it

**RESOLVED**: That the City Council hereby authorizes the City Attorney to settle the lawsuit against defendant Ambac Assurance in *Ambac Bond Insurance Cases*, JCCP 4555, San Francisco Superior Court Case No. CJC-08-004555, City Attorney Matter No. X03170, for Ambac Assurance's payment to the City of \$754,888.44; and be it

**FURTHER RESOLVED:** That the City Council hereby authorizes the City Attorney to execute the settlement agreement consistent with this Resolution, including dismissing the lawsuit against defendant Ambac Assurance with prejudice.

IN COUNCIL, OAKLAND, CALIFORNIA,

JUN 06 2017

PASSED BY THE FOLLOWING VOTE:

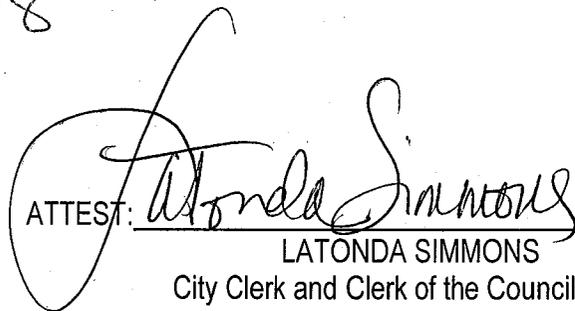
AYES – BROOKS, CAMPBELL-WASHINGTON, GALLO, GIBSON MCELHANEY, GUILLÉN, KALB,  
KAPLAN AND PRESIDENT REID — 8

NOES – 0

ABSENT – 0

ABSTENTION – 0

ATTEST:



LATONDA SIMMONS

City Clerk and Clerk of the Council of the  
City of Oakland, California

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