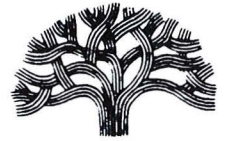


16 APR -7 PM 3:07

CITY OF OAKLAND



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

Office of the City Attorney
Barbara J. Parker
City Attorney

(510) 238-3601
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April 19, 2016

HONORABLE CITY COUNCIL
Oakland, California

Subject: RESOLUTION APPROVING ENTRY INTO A SETTLEMENT AGREEMENT TO RELEASE NATIONAL WESTMINSTER BANK PLC (“NATWEST”) FROM POTENTIAL CLAIMS OR LEGAL ACTIONS BY THE CITY OF OAKLAND BASED ON THE ALLEGATIONS OF IN RE MUNICIPAL DERIVATIVES ANTITRUST LITIGATION, AND AUTHORIZING ACCEPTANCE OF PAYMENT FROM NATWEST OF \$20,000 IN EXCHANGE FOR RELEASE BY THE CITY

Dear President Gibson McElhaney and Members of the City Council:

At closed session on April 5, 2016, the City Council considered a proposed into a settlement agreement with National Westminster Bank PLC (“NatWest”) to release NatWest from claims or legal actions by the City of Oakland relating to the claims alleged 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. to resolve the City’s claims against it in *City of Oakland et*

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.

HONORABLE CITY COUNCIL

April 19, 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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al. v. AIG Financial Products Corp. et al. NatWest is not named as a defendant in the City's lawsuit. Nor has the City filed any claim against NatWest. However, NatWest is a named defendant in the pending nationwide class action brought on the same grounds.

The settlement proposals were for the City to accept payment from NatWest of \$20,000 in exchange for release of NatWest from any potential claims or legal actions by the City of Oakland.²

The City Council accepted the settlement proposal. 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, April 5, 2016 (moved by Councilmember Kaplan and seconded by Councilmember Reid – 8 Ayes).

Respectfully submitted,



BARBARA J. PARKER
City Attorney

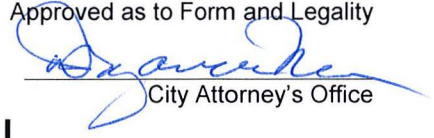
Attorney(s) Assigned:
Kathleen Salem-Boyd

1883335v1

² Litigation will continue on Oakland's behalf against remaining defendants: UBS, Piper Jaffrey, Natixis, CDR, and Sound Capital Management.

16 APR -7 PM 3:07

Approved as to Form and Legality



City Attorney's Office

OAKLAND CITY COUNCIL

Resolution No. _____ C.M.S.

RESOLUTION APPROVING ENTRY INTO A SETTLEMENT AGREEMENT TO RELEASE NATIONAL WESTMINSTER BANK PLC ("NATWEST") FROM POTENTIAL CLAIMS OR LEGAL ACTIONS BY THE CITY OF OAKLAND BASED ON THE ALLEGATIONS OF IN RE MUNICIPAL DERIVATIVES ANTITRUST LITIGATION, AND AUTHORIZING ACCEPTANCE OF PAYMENT FROM NATWEST OF \$20,000 IN EXCHANGE FOR RELEASE BY THE CITY

WHEREAS, in 2008, the City filed City of Oakland v. AIG Financial Products Corp, United States District Court Case No. C 08-2116 MMC, alleging 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; and

WHEREAS, for administrative purposes consistent with 14 U.S.C. § 1407, the City of Oakland, County of Alameda, City of Fresno and Fresno County Financing Authority subsequently filed a joint amended complaint known as In Re Municipal Derivatives Antitrust Litigation, MDL No. 1950 (the Action), following transfer of their cases to United States District Court Southern District of New York; and

WHEREAS, on April 5, 2015, the City Council approved in closed session a settlement agreement under which National Westminster Bank PLC ("NatWest") would pay the City \$20,000 in exchange for a release of all claims or legal actions by the City relating to the pending litigation; now, therefore, be it

RESOLVED: That the City Attorney is authorized and directed to enter a settlement agreement releasing NatWest from potential claims and legal actions based on the allegations of In Re Municipal Derivatives Antitrust Litigation, MDL No. 1950, City Attorney Matter No. X03177, and to accept payment in the amount of \$20,000 from NatWest in exchange for such settlement and release.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES – BROOKS, GALLO, GUILLÉN, KALB, KAPLAN, REID, WASHINGTON, and PRESIDENT GIBSON
MCELHANEY

NOES –

ABSENT –

ABSTENTION –

ATTEST: _____

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