

1 PETER R. BOUTIN, CASB NO. 65261
 peter.boutin@kyl.com
 2 CHRISTOPHER A. STECHER, CASB NO. 215329
 christopher.stecher@kyl.com
 3 KEESAL, YOUNG & LOGAN
 A Professional Corporation
 4 450 Pacific Ave.
 San Francisco, California 94133
 5 Telephone: (415) 398-6000
 6 Facsimile: (415) 981-0136

7 Attorneys for Defendants
 CITIGROUP GLOBAL MARKETS, INC.,
 8 SUNTRUST ROBINSON HUMPHREY, INC.,
 WELLS FARGO SECURITIES, LLC, and BNY
 9 MELLON CAPITAL MARKETS, LLC (f/n/a
 10 MELLON FINANCIAL MARKETS, LLC)

11 **UNITED STATES DISTRICT COURT**
 12 **NORTHERN DISTRICT OF CALIFORNIA**

13 CITY OF SOUTH SAN FRANCISCO,) Case No. C 09-00501-~~MMC~~ SC
)

14 Plaintiffs,)
)

15 vs.)

16 CITIGROUP GLOBAL MARKETS INC.,)
 SUNTRUST ROBINSON HUMPHREY, INC.,)
 17 WELLS FARGO SECURITIES, LLC, MELLON)
 FINANCIAL MARKETS, INC., ERNST &)
 18 YOUNG LLP, RICHARD S. FULD, JR.,)
 CHRISTOPHER M. O'MEARA, ERIN)
 19 CALLAN, MICHAEL L. AINSLIE, JOHN F.)
 20 AKERS, ROGER S. BERLIND, THOMAS H.)
 CRUIKSHANK, MARSHA JOHNSON EVANS,)
 21 SIR CHRISTOPHER GENT, ROLAND)
 HERNANDEZ, HENRY KAUFMAN, JOHN D.)
 22 MACOMBER, and DOES 1 through 20,)

23 Defendants.)
)
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**STIPULATION AND [PROPOSED] ORDER
 STAYING CASE PENDING FINAL
 DETERMINATION BY THE JUDICIAL
 PANEL ON MULTIDISTRICT
 LITIGATION TO TRANSFER CASE
 PURSUANT TO 28 U.S.C. § 1407 AND
 EXTENDING TIME TO ANSWER OR
 OTHERWISE RESPOND TO THE
 COMPLAINT**

1 WHEREAS on December 16, 2008, Plaintiff City of South San Francisco (“Plaintiff”)
2 filed the Complaint in this case in the Superior Court of the State of California, County of San Mateo;

3 WHEREAS on February 4, 2009, Defendants Citigroup Global Markets, Inc., Suntrust
4 Robinson Humphrey, Inc., Wells Fargo Securities, LLC, and Mellon Financial Markets, LLC (n/k/a
5 BNY Mellon Capital Markets, LLC) (“Underwriter Defendants”) timely filed a Notice of Removal in
6 this Court, and Defendants Ernst & Young LLP and Erin Callan (collectively, with the Underwriter
7 Defendants, the “Removing Defendants”) filed joinders to the Notice of Removal on February 4,
8 2009 and February 6, 2009 respectively;

9 WHEREAS on February 25, 2009, a Waiver of the Service of Summons was provided
10 to counsel for Defendants Richard S. Fuld, Jr., Christopher M. O’Meara, Michael L. Ainslie, John F.
11 Akers, Roger S. Berlind, Thomas H. Cruikshank, Marsha Johnson Evans, Sir Christopher Gent,
12 Roland Hernandez, Henry Kaufman, and John D. Macomber (collectively, together with the
13 Removing Defendants, the “Stipulating Defendants”), and counsel has agreed to timely execute such
14 waivers on behalf of those defendants;

15 WHEREAS on February 6, 2009, the Underwriter Defendants filed a “tag-along”
16 notice with the Judicial Panel on Multidistrict Litigation (“MDL Panel”) to inform the MDL Panel that
17 this action is related to a number of other Lehman-Brothers related securities cases that the parties to
18 those other actions have moved the MDL Panel to transfer to the Southern District of New York
19 pursuant to 28 U.S.C. § 1407;

20 WHEREAS on February 9, 2009, the MDL Panel granted the motion to transfer the
21 other cases and issued an order transferring them to Judge Kaplan in the Southern District of New
22 York (“February 9 Transfer Order”), including Zenith Insurance Co. v. Fuld, Case No. 08-5352-SC
23 (“Zenith”), and San Mateo County Investment Pool v. Fuld, Case No. 08-5353-SC (“San Mateo”),
24 both of which are pending in this District before Judge Conti;

25 WHEREAS on February 10, 2009, Judge Conti issued an order staying Zenith and San
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1 Mateo pending receipt of a certified copy of the MDL Panel transfer order, and also stayed a third
2 related action, Solton v. Fuld, Case No. 08-5617-SC (“Solton”), in which certain defendants had filed
3 a “tag-along” notice with the MDL Panel – as the Underwriter Defendants did in this case – requesting
4 that Solton be transferred along with the two other cases;

5
6 WHEREAS on February 13, 2009, the MDL Panel issued a conditional transfer order
7 (“Conditional Transfer Order”) to transfer three actions, including this action and Solton, to Judge
8 Kaplan in the Southern District of New York, for the reasons stated in the February 9 Transfer Order;

9 WHEREAS any opposition to the Conditional Transfer Order is due on March 2, 2009
10 and, if no opposition is filed by that date, the Conditional Transfer Order becomes effective, and this
11 case shall be transferred to the Southern District of New York;

12 WHEREAS Plaintiff does not intend to file any opposition to the Conditional Transfer
13 Order;

14
15 WHEREAS Plaintiff intends to file a motion to remand in this action following
16 resolution of the Conditional Transfer Order;

17 NOW, THEREFORE, pursuant to Civ. L.R. 6-1(a), the undersigned parties hereby
18 stipulate that:

19
20 This case shall be stayed pending a final determination by the MDL Panel whether to
21 transfer this case to the Southern District of New York;

22 The Plaintiff will not be required to file a motion for remand until (i) thirty (30) days
23 after the Conditional Transfer Order becomes effective, or the MDL Panel issues some other order
24 regarding transfer of this case to the Southern District of New York, or (ii) such time as ordered by
25 Judge Kaplan in the Southern District of New York following transfer of this action;

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27 The Stipulating Defendants will have 30 days from the issuance of an order deciding
28 Plaintiff’s remand motion to answer or otherwise respond to the Complaint, or such time as ordered by

1 Judge Kaplan in the Southern District of New York following transfer of this action.

2 DATED: February 26, 2009 /s/ George S. Trevor
3 GEORGE S. TREVOR
4 PEARSON, SIMON, SOTER, WARSHAW & PENNY, LLP
5 Attorneys for Plaintiff CITY OF SOUTH SAN FRANCISCO

6 DATED: February 26, 2009 /s/ Peter R. Boutin¹
7 PETER R. BOUTIN
8 CHRISTOPHER A. STECHER
9 KEESAL, YOUNG & LOGAN
10 Attorneys for Defendants
11 CITIGROUP GLOBAL MARKETS, INC., SUNTRUST
12 ROBINSON HUMPHREY, INC., WELLS FARGO
13 SECURITIES, LLC, and BNY MELLON CAPITAL
14 MARKETS, LLC (f/n/a MELLON FINANCIAL MARKETS,
15 LLC)

16 DATED: February 26, 2009 /s/ James G. Kreissman
17 JAMES G. KREISSMAN
18 SIMPSON THACHER & BARTLETT LLP
19 Attorneys for Defendants
20 RICHARD S. FULD, JR., CHRISTOPHER M. O'MEARA,
21 MICHAEL L. AINSLIE, JOHN F. AKERS, ROGER S.
22 BERLIND, THOMAS H. CRUIKSHANK, MARSHA
23 JOHNSON EVANS, SIR CHRISTOPHER GENT, ROLAND
24 HERNANDEZ, HENRY KAUFMAN, and JOHN D.
25 MACOMBER,

26 DATED: February 26, 2009 /s/ Joshua Judah Pollack
27 JOSHUA JUDAH POLLACK
28 PROSKAUER ROSE LLP
Attorneys for Defendant
ERIN CALLAN

(signatures continued on next page)

¹ I hereby attest that the other signatories to this Stipulation have authorized me to sign the Stipulation on their behalf as indicated by a “conformed” signature (/s/). Keesal, Young & Logan has the written authorizations in its files.

