

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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BLOOMBERG L.P., :
Plaintiff, : Case No. 08 CV 9595
- against - :
BOARD OF GOVERNORS OF THE : DECLARATION OF SCOTT S.
FEDERAL RESERVE SYSTEM, : ROSE, ESQ.
: Defendant.
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I, SCOTT ROSE, ESQ., declare as follows:

1. I am a member of the Bar of the State of New York. I am a member of the law firm Willkie Farr & Gallagher LLP, which represents Plaintiff Bloomberg L.P. ("Bloomberg") in the above-captioned matter. I submit this Declaration in support of Bloomberg's opposition to the Motion for Summary Judgment filed by Defendant Board of Governors of the Federal Reserve System, and in support of Bloomberg's Cross-Motion for Summary Judgment. I make this declaration on my own personal knowledge, except as to matters expressly stated to be upon information and belief, and as to those, I believe them to be true.

2. Attached hereto as Exhibit 1 is a true and correct copy of Andrew Ross Sorkin, J.P. Morgan Pays \$2 a Share for Bear Stearns, N.Y. Times, Mar. 17, 2008, at A1.

3. Attached hereto as Exhibit 2 is a true and correct copy of Robin Sidel, Dennis K. Berman, & Kate Kelly, J.P. Morgan Buys Bear in Fire Sale, As Fed Widens Credit to Avert Crisis Ailing Firm Sold For Just \$2 a Share In U.S.-Backed Deal, Wall St. J., Mar. 17, 2008, at A1.

4. Attached hereto as Exhibit 3 is a true and correct copy of Landon Thomas Jr. & Eric Dash, Seeking Fast Deal, JPMorgan Quintuples Bear Stearns Bid, N.Y. Times, Mar. 25, 2008, at C1.

5. Attached hereto as Exhibit 4 is a true and correct copy of Robin Sidel & Kate Kelly, J.P. Morgan Quintuples Bid to Seal Bear Deal, Wall St. J., Mar. 25, 2008, at A1.

6. Attached hereto as Exhibit 5 is a true and correct copy of Order, Board of Governors of the Federal Reserve System, JPMorgan Chase & Co., New York, New York: Order Approving Acquisition of Control of a Bank (Apr. 1, 2008) (available at www.federalreserve.gov/newsevents/press/orders/orders20080401a1.pdf).

7. Attached hereto as Exhibit 6 is a true and correct copy of Kate Kelly, Greg Ip, & Robin Sidel, Fed Races to Rescue Bear Stearns In Bid to Steady Financial System: Storied Firm Sees Stock Plunge 47%; J.P. Morgan Steps In, Wall St. J., Mar. 15, 2008, at A1.

8. Attached hereto as Exhibit 7 is a true and correct copy of J.P. Morgan Statement on Deal, Wall St. J., Mar. 16, 2008.

9. Attached hereto as Exhibit 8 is a true and correct copy of Edmund L. Andrews, Fed Acts to Rescue Financial Markets, N.Y. Times, Mar. 17, 2008, at A1.

10. Attached hereto as Exhibit 9 is a true and correct copy of Andrew Ross Sorkin, JPMorgan in Negotiations to Raise Bear Stearns Bid, N.Y. Times, Mar. 24, 2008, at A1.

11. Attached hereto as Exhibit 10 is a true and correct copy of Press Release, Federal Reserve Bank of New York, Statement on Financing Arrangement of JPMorgan Chase's Acquisition of Bear Stearns (Mar. 24, 2008) (available at <http://www.newyorkfed.org/newsevents/news/markets/2008/rp080324.html>).

12. Attached hereto as Exhibit 11 is a true and correct copy of Press Release, Federal Reserve Bank of New York, Summary of Terms and Conditions Regarding the JPMorgan Chase Facility (Mar. 24, 2008) (available at <http://www.newyorkfed.org/newsevents/news/markets/2008/rp080324b.html>).

13. Attached hereto as Exhibit 12 is a true and correct copy of Statistical Release, Board of Governors of the Federal Reserve, Factors Affecting Reserve Balances (Oct. 23, 2008) (available at <http://www.federalreserve.gov/Releases/H41/20081023/default.htm>).

14. Attached hereto as Exhibit 13 is a true and correct copy of Editorial, The Fed Takes a Writedown: Remember Bear Stearns?, Wall St. J., Oct. 28, 2008, at A16.

15. Attached hereto as Exhibit 14 is a true and correct copy of Board of Governors of the Federal Reserve System, The Federal Reserve System: Purposes and Functions (9th ed. 2005).

16. Attached hereto as Exhibit 15 is a true and correct copy of Press Release, Board of Governors of the Federal Reserve System (Dec. 12, 2007) (available at <http://www.federalreserve.gov/newsevents/press/monetary/20071212a.htm>).

17. Attached hereto as Exhibit 16 is a true and correct copy of Press Release, Board of Governors of the Federal Reserve System (Mar. 11, 2008) (available at <http://www.federalreserve.gov/newsevents/press/monetary/20080311a.htm>).

18. Attached hereto as Exhibit 17 is a true and correct copy of Press Release, Board of Governors of the Federal Reserve System (Mar. 16, 2008) (available at <http://www.federalreserve.gov/newsevents/press/monetary/20080316a.htm>).

19. Attached hereto as Exhibit 18 is a true and correct copy of The Federal Reserve Discount Window: Payment System Risk, The Federal Reserve Discount Window,

<http://www.frbdiscountwindow.org/discountwindowbook.cfm?hdrID=14&dtlID=43> (last visited Apr. 13, 2009).

20. Attached hereto as Exhibit 19 is a true and correct copy of The Federal Reserve Discount Window: Payment System Risk, Regulation A, <http://www.frbdiscountwindow.org/regulationa.cfm?hdrID=14&dtlID=77> (last visited Apr. 13, 2009).

21. Attached hereto as Exhibit 20 is a true and correct copy of Board of Governors of the Federal Reserve System, Credit and Liquidity Programs and the Balance Sheet: Lending to Depository Institutions, http://www.federalreserve.gov/monetarypolicy/bst_lendingdepository.htm (last visited Apr. 13, 2009).

22. Attached hereto as Exhibit 21 is a true and correct copy of Press Release, Board of Governors of the Federal Reserve System (Aug. 17, 2007) (available at <http://www.federalreserve.gov/newsevents/press/monetary/20070817a.htm>).

23. Attached hereto as Exhibit 22 is a true and correct copy of Statistical Release, Board of Governors of the Federal Reserve System, Factors Affecting Reserve Balances: Oct. 9, 2008 (available at <http://www.federalreserve.gov/Releases/H41/20081009/h41.htm> (last visited Apr. 13, 2009).

24. Attached hereto as Exhibit 23 is a true and correct copy of Federal Reserve Bank of New York, Term Securities Lending Facility: Frequently Asked Questions, http://www.newyorkfed.org/markets/tslf_faq.html (last visited Apr. 13, 2009).

25. Attached hereto as Exhibit 24 is a true and correct copy of Board of Governors of the Federal Reserve System, Term Auction Facility Questions and Answers, <http://www.federalreserve.gov/monetarypolicy/taffaq.htm> (last visited Apr. 13, 2009).

26. Attached hereto as Exhibit 25 is a true and correct copy of Board of Governors of the Federal Reserve System, Credit and Liquidity Programs on the Balance Sheet: Lending to Primary Dealers, http://www.federalreserve.gov/monetarypolicy/bst_lendingprimary.htm (last visited Apr. 13, 2009).

27. Attached hereto as Exhibit 26 is a true and correct copy of Federal Reserve Bank of New York, Primary Dealer Credit Facility, <http://www.newyorkfed.org/markets/pdcf.html> (last visited Apr. 13, 2009).

28. Attached hereto as Exhibit 27 is a true and correct copy of Federal Reserve Bank of New York, Term Securities Lending Facility, <http://www.newyorkfed.org/markets/tslf.html> (last visited Apr. 13, 2009).

29. Attached hereto as Exhibit 28 is a true and correct copy of Federal Reserve Bank of New York, Fedpoint: Primary Dealers, <http://www.newyorkfed.org/aboutthefed/fedpoint/fed02.html> (last visited Apr. 13, 2009).

30. Attached hereto as Exhibit 29 is a true and correct copy of Timeline: Fed Actions to Boost Liquidity, Reuters, Oct. 14, 2008.

31. Attached hereto as Exhibit 30 is a true and correct copy of Meena Thiruvengadam & Brian Blackstone, Direct Borrowing From the Fed Leaps, Wall St. J., Oct. 10, 2008.

32. Attached hereto as Exhibit 31 is a true and correct copy of Federal Reserve Bank of New York, Primary Dealers List: Sept. 22, 2008, <http://www.newyorkfed.org/newsevents/news/markets/2008/an080922.html> (last visited Apr. 13, 2009).

33. Attached hereto as Exhibit 32 is a true and correct copy of Federal Reserve Bank of New York, Primary Dealer Credit Facility: Frequently Asked Questions: Sept. 15, 2008, http://www.newyorkfed.org/markets/pdcf_faq.html (last visited Apr. 13, 2009).

34. Attached hereto as Exhibit 33 is a true and correct copy of Board of Governors of the Federal Reserve System, Term Auction Facility, <http://www.federalreserve.gov/monetarypolicy/taf.htm> (last visited Apr. 13, 2009).

35. Attached hereto as Exhibit 34 is a true and correct copy of Board of Governors of the Federal Reserve System, Term and Conditions for Term Auction Facility, <http://www.federalreserve.gov/monetarypolicy/tafterms.htm> (last visited Apr. 13, 2009).

36. Attached hereto as Exhibit 35 is a true and correct copy of Board of Governors of the Federal Reserve System, Credit and Liquidity Programs and the Balance Sheet: Risk management, http://www.federalreserve.gov/monetarypolicy/bst_riskmanagement.htm (last visited Apr. 13, 2009).

37. Attached hereto as Exhibit 36 is a true and correct copy of Board of Governors of the Federal Reserve System, Credit and Liquidity Programs and the Balance Sheet: Collateral and rate setting, http://www.federalreserve.gov/monetarypolicy/bst_ratesetting.htm (last visited Apr. 13, 2009).

38. Attached hereto as Exhibit 37 is a true and correct copy of Statistical Release, Board of Governors of the Federal Reserve System, Factors Affecting Reserve Balances: Aug. 9, 2007 (available at <http://www.federalreserve.gov/Releases/H41/20070809/>).

39. Attached hereto as Exhibit 38 is a true and correct copy of relevant portions of Morgan Stanley, Form 10-K for the period ending Nov. 30, 2008.

40. Attached hereto as Exhibit 39 is a true and correct copy of relevant portions of Bank of America Corporation, Form 10-K for the period ending Dec. 31, 2008.

41. Attached hereto as Exhibit 40 is a true and correct copy of relevant portions of BOK Financial Corp., Form 10-K for the period ending Dec. 31, 2008.

42. Attached hereto as Exhibit 41 is a true and correct copy of relevant portions of Colonial Bancgroup Inc., Form 10-K for the period ending Dec. 31, 2008.

43. Attached hereto as Exhibit 42 is a true and correct copy of relevant portions of Sterling Financial Corp., Form 10-K for the period ending Dec. 31, 2008.

44. Attached hereto as Exhibit 43 is a true and correct copy of relevant portions of Metlife Inc., Form 10-K for the period ending Dec. 31, 2008.

45. Attached hereto as Exhibit 44 is a true and correct copy of relevant portions of Comerica Inc., Form 10-Q for the period ending Sept. 30, 2008.

46. Attached hereto as Exhibit 45 is a true and correct copy of relevant portions of Goldman Sachs Group Inc., Form 10-K for the period ending Nov. 28, 2008.

47. Attached hereto as Exhibit 46 is a true and correct copy of relevant portions of Merrill Lynch & Co., Form 10-K for the period ending Dec. 26, 2008.

48. Attached hereto as Exhibit 47 is a true and correct copy of Bradley Keoun, Citigroup Gets U.S. Rescue From Toxic Losses, Capital Infusion, Bloomberg News, Nov. 24, 2008.

49. Attached hereto as Exhibit 48 is a true and correct copy of Josh Fineman, E*Trade Shares Surge on Optimism Firm Will Get TARP Funding, Bloomberg News, Nov. 25, 2008.

50. Attached hereto as Exhibit 49 is a true and correct copy of Jonathan Stempel & Kevin Krolicki, GM, GMAC Ease Lending Rules to Entice Car Buyers, Reuters News, Dec. 30, 2008.

51. Attached hereto as Exhibit 50 is a true and correct copy of Greg Sushinsky, PNC Gobbles Up National City, Investopedia, Nov. 4, 2008.

52. Attached hereto as Exhibit 51 is a true and correct copy of Federal Reserve Bank of New York, Understanding the Recent Changes to Federal Reserve Liquidity Provision, http://www.newyorkfed.org/markets/Understanding_Fed_Lending.html (last visited Apr. 14, 2009).

53. Attached hereto as Exhibit 52 is a true and correct copy of David Wilson, 'No Prospect for a Profit' on Fed's Bear Assets: Chart of Day, Bloomberg News, Feb. 4, 2009.

Pursuant to 28 U.S.C. § 1746, I declare under the penalty of perjury that the foregoing is true and correct. Executed in New York, New York on this 15th day of April, 2009.



SCOTT S. ROSE, ESQ.