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NATIONAL PUBLIC FINANCE
10 GUARANTEE CORPORATION

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12 **UNITED STATES BANKRUPTCY COURT**
13 **EASTERN DISTRICT OF CALIFORNIA, SACRAMENTO DIVISION**

14 In re:
15 CITY OF STOCKTON, CALIFORNIA,
16 Debtor.

) Case No. 12-32118
) D.C. No. OHS-1
) Chapter 9

) **DECLARATION OF MATTHEW M. WALSH IN SUPPORT OF NATIONAL PUBLIC FINANCE GUARANTEE CORPORATION'S MOTION *IN LIMINE* #1 TO EXCLUDE ANY EVIDENCE OR ARGUMENT CONCERNING THE RATIONALE FOR THE CITY OF STOCKTON, CALIFORNIA'S DECISION NOT TO NEGOTIATE WITH OR TO SEEK TO IMPAIR THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM PRIOR TO THE FILING OF THIS CHAPTER 9 PETITION**

) Date: March 20, 2013
) Time: 9:30 a.m.
) Dept: Courtroom 35
) Judge: Hon. Christopher M. Klein

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1 I, Matthew M. Walsh, declare as follows:

2 1. I am a partner with the firm of Winston & Strawn LLP, counsel to National Public
3 Finance Guarantee Corporation (“National”). I make this declaration in support of National Public
4 Finance Guarantee Corporation’s Motion *in Limine* #1 to Exclude Any Evidence or Argument
5 Concerning the Rationale for the City of Stockton California’s Decision Not to Negotiate with or to
6 Seek to Impair the California Public Employees’ Retirement System Prior to the Filing of this
7 Chapter 9 Petition (the “Motion”). If called upon to do so, I could and would testify of my own
8 personal knowledge to the facts set forth herein.

9 2. On March 11, 2013, I made a request to meet and confer with counsel for the City of
10 Stockton (the “City”) regarding the Motion. On Tuesday, March 12, 2013, counsel for the City
11 responded that such a meet and confer would likely not be productive at this time because the City
12 had not reviewed the Motion. National is available and willing to meet and confer with the City
13 subsequent to the filing of the Motion if the City believes that a mutually agreeable resolution can be
14 reached.

15 3. Attached hereto as Exhibit A are true and correct excerpts from the transcript of the
16 deposition of David N. Millican taken on October 31, 2012.

17 4. Attached hereto as Exhibit B are true and correct excerpts from the transcript of the
18 deposition of Teresia A. Haase taken on November 14, 2012.

19 5. Attached hereto as Exhibit C are true and correct excerpts from the transcript of the
20 deposition of Vanessa E. Burke taken on November 15, 2012.

21 6. Attached hereto as Exhibit D are true and correct excerpts from the transcript of the
22 deposition of Robert Deis taken on November 28, 2012.

23 7. Attached hereto as Exhibit E are true and correct excerpts from the transcript of the
24 deposition of Laurie Montes taken on November 1, 2012.

25 8. Attached hereto as Exhibit F are true and correct excerpts from the transcript of the
26 deposition of Ann Goodrich taken on November 6, 2012.

27 9. Attached hereto as Exhibit G are true and correct excerpts from the transcript of the
28 deposition of Katherine Miller taken November 9, 2012.

