

54

1 ROBERT K. SALL (SBN 83782)
 rsall@sall-lawoffice.com
 2 SUZANNE BURKE SPENCER (SBN 188597)
 sburke@sall-lawoffice.com
 3 MICHAEL A. SALL (SBN 287981)
 msall@sall-lawoffice.com
 4 THE SALL LAW FIRM
 A Professional Corporation
 5 32351 Coast Highway
 Laguna Beach, CA 92651
 6 Telephone: 949-499-2942
 Facsimile: 949-499-7403
 7

Attorneys for Party in Interest California Public Employees' Retirement System

9 UNITED STATES BANKRUPTCY COURT
 10 EASTERN DISTRICT OF CALIFORNIA
 11 SACRAMENTO DIVISION

12 In re
 13 CITY OF STOCKTON, CALIFORNIA,
 14
 15 Debtor.


Case No. 2012-32118
 DC No. SLF-1
 Chapter 9

**REDACTED VERSION OF DOCKET
 NUMBER 911 EXHIBITS 1 TO 12 TO
 THE DECLARATION OF MICHAEL
 J. GEARIN IN SUPPORT OF
 MOTION OF PARTY IN INTEREST
 CALPERS TO DISQUALIFY
 WINSTON & STRAWN LLP**

Date: July 2, 2013
 Time: 9:30 a.m.
 Place: United States Courthouse
 Dept. C, Courtroom 35
 501 I Street
 Sacramento, CA 95814

<u>Exhibit No.</u>	<u>Description</u>	<u>Page No.</u>
1	Redacted version of the time records relating to the services performed for CalPERS in the Chapter 9 Cases by Mr. Parrish, Mr. Lebioda and Mr. Petraglia	3
2	Letter from Thomas Cottingham to Michael J Gearin, dated April 19, 2013	13

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

<u>Exhibit No.</u>	<u>Description</u>	<u>Page No.</u>
3	Email from Felton Parrish to Michael J. Gearin, dated April 22, 2013	15
4	Letter from Thomas Cottingham to Peter Mixon, dated April 22, 2013	16
5	Letter from Michael J. Gearin to Thomas Cottingham, dated April 24, 2013	18
6	Letter from Lawrence Desideri to Michael J. Gearin, dated April 29, 2013	20
7	Selected emails between Felton Parrish and Megan Henry, dated April 22, 2013	23
8	Redacted copy of multiple emails dated October 8, 2012, October 18, 2012, December 16, 2012, January 10, 2013, January 13, 2013, and January 18, 2013 to or from Felton Parrish's personal email address identified as feltonparrish@hotmail.com which were routed through his office email at K&L Gates	30
9	Letter from Thomas Cottingham to Michael J. Gearin, dated May 13, 2013	43
10	Letter from Michael J. Gearin to Thomas Cottingham, dated May 14, 2013	45
11	Letter from Lawrence Desideri to Michael J. Gearin, dated May 17, 2013	49
12	Email 	52

Index	Matter	Date	Timekeeper	Name	Title	Hours	Amount	Narrative	TASK	ACTIVITY	Bill Date
63711106	2037631.00191	10/24/2012	28050	Parrish (NLH), Felton E	Partner	0.8	[REDACTED]	Review mediation statement filed by Capital Markets creditors			11/12/2012
64575934	2037631.00191	1/17/2013	28050	Parrish (NLH), Felton E	Partner	0.5	[REDACTED]	Review 9010 Motion	8 P		3/31/2013
63429026	2037631.00195	9/27/2012	28050	Parrish (NLH), Felton E	Partner	3.8	[REDACTED]	Conference with J. Culver, M. Gearin and M. Lubic regarding stay issues; research regarding stay issues			10/15/2012
63445361	2037631.00195	9/28/2012	28050	Parrish (NLH), Felton E	Partner	2.3	[REDACTED]	Legal research regarding automatic stay issues			10/15/2012
63445416	2037631.00195	9/28/2012	28050	Parrish (NLH), Felton E	Partner	0.7	[REDACTED]	Review automatic stay issues			10/15/2012
63594039	2037631.00195	9/28/2012	28050	Parrish (NLH), Felton E	Partner	1.0	[REDACTED]	Conference with J. Culver regarding same			10/15/2012
63594041	2037631.00195	9/28/2012	28050	Parrish (NLH), Felton E	Partner	1.8	[REDACTED]	Conference with M. Gearin, M. Lubic & J. Culver regarding automatic stay issues			10/15/2012
63466305	2037631.00195	10/1/2012	28050	Parrish (NLH), Felton E	Partner	0.2	[REDACTED]	Conference with N. Lebioda regarding 922 stay issues			11/12/2012
63539434	2037631.00195	10/8/2012	28050	Parrish (NLH), Felton E	Partner	0.2	[REDACTED]	Correspondence with M. Lubic regarding stay issues			11/12/2012
63539495	2037631.00195	10/8/2012	28050	Parrish (NLH), Felton E	Partner	1.5	[REDACTED]	Review automatic stay issues			11/12/2012
63551541	2037631.00195	10/9/2012	28050	Parrish (NLH), Felton E	Partner	0.6	[REDACTED]	Review mediation statement and claim issue; conference with N. Lebioda regarding research issues			11/12/2012
63551679	2037631.00195	10/9/2012	28050	Parrish (NLH), Felton E	Partner	0.4	[REDACTED]	Review memo from N. Lebioda regarding [REDACTED] for automatic stay purposes			11/12/2012
63551798	2037631.00195	10/9/2012	28050	Parrish (NLH), Felton E	Partner	1.5	[REDACTED]	Review issues regarding classification of Calpers claims and automatic stay			11/12/2012
63567761	2037631.00195	10/10/2012	28050	Parrish (NLH), Felton E	Partner	0.2	[REDACTED]	Correspondence with J. Culver regarding existing issues			11/12/2012
63567766	2037631.00195	10/10/2012	28050	Parrish (NLH), Felton E	Partner	0.6	[REDACTED]	Prepare for conference call			11/12/2012
63567967	2037631.00195	10/10/2012	28050	Parrish (NLH), Felton E	Partner	2.0	[REDACTED]	Participate in conference call regarding state court remedies and automatic stay issues			11/12/2012
63611473	2037631.00195	10/11/2012	28050	Parrish (NLH), Felton E	Partner	2.3	[REDACTED]	Review California litigation issues			11/12/2012
63612181	2037631.00195	10/15/2012	28050	Parrish (NLH), Felton E	Partner	2.4	[REDACTED]	Research standards for 362(b)(6) stay exception			11/12/2012
63612198	2037631.00195	10/15/2012	28050	Parrish (NLH), Felton E	Partner	0.5	[REDACTED]	Participate in internal conference call regarding California litigation			11/12/2012
63623095	2037631.00195	10/16/2012	28050	Parrish (NLH), Felton E	Partner	2.2	[REDACTED]	Review automatic stay issues			11/12/2012
63640207	2037631.00195	10/17/2012	28050	Parrish (NLH), Felton E	Partner	7.8	[REDACTED]	Draft memo regarding automatic stay issues			11/12/2012
63649348	2037631.00195	10/18/2012	28050	Parrish (NLH), Felton E	Partner	8.7	[REDACTED]	Review automatic stay issues and begin drafting memo regarding same			11/12/2012
63663644	2037631.00195	10/19/2012	28050	Parrish (NLH), Felton E	Partner	5.7	[REDACTED]	Draft memo regarding automatic stay issues			11/12/2012
63663651	2037631.00195	10/19/2012	28050	Parrish (NLH), Felton E	Partner	0.8	[REDACTED]	Participate in conference call regarding California litigation issues			11/12/2012
63680919	2037631.00195	10/22/2012	28050	Parrish (NLH), Felton E	Partner	4.8	[REDACTED]	Research bankruptcy options			11/12/2012
63680926	2037631.00195	10/22/2012	28050	Parrish (NLH), Felton E	Partner	1.7	[REDACTED]	Begin drafting memo regarding bankruptcy options			11/12/2012
63696539	2037631.00195	10/23/2012	28050	Parrish (NLH), Felton E	Partner	6.4	[REDACTED]	Finalize memos regarding bankruptcy issues and options			11/12/2012
63711237	2037631.00195	10/24/2012	28050	Parrish (NLH), Felton E	Partner	0.4	[REDACTED]	Review email from J. Boos regarding strategy issues			11/12/2012
63736346	2037631.00195	10/26/2012	28050	Parrish (NLH), Felton E	Partner	0.3	[REDACTED]	Review email from M. Lubic regarding executory contract and automatic stay issues			11/12/2012
63736358	2037631.00195	10/26/2012	28050	Parrish (NLH), Felton E	Partner	1.9	[REDACTED]	Memorandum to M. Lubic regarding executory contract and automatic stay issues			11/12/2012
63736396	2037631.00195	10/26/2012	28050	Parrish (NLH), Felton E	Partner	0.3	[REDACTED]	Correspondence with M. Gearin regarding Jefferson County bankruptcy decisions			11/12/2012
63736403	2037631.00195	10/26/2012	28050	Parrish (NLH), Felton E	Partner	2.0	[REDACTED]	Review Jefferson County decisions			11/12/2012
63736595	2037631.00195	10/28/2012	28050	Parrish (NLH), Felton E	Partner	0.8	[REDACTED]	Correspondence with M. Lubic and J. Culver regarding [REDACTED]			11/12/2012
63750742	2037631.00195	10/29/2012	28050	Parrish (NLH), Felton E	Partner	0.5	[REDACTED]	Review [REDACTED]			11/12/2012

Index	Matter	Date	Timekeeper	Name	Title	Hours	Amount	Narrative	TASK	ACTIVITY	Bill Date
63750786	2037631.00195	10/29/2012	28050	Parrish (NLH), Felton E	Partner	2.7		Legal research regarding [REDACTED]			11/12/2012
63750987	2037631.00195	10/29/2012	28050	Parrish (NLH), Felton E	Partner	2.8		Legal research regarding [REDACTED]			11/12/2012
63764448	2037631.00195	10/30/2012	28050	Parrish (NLH), Felton E	Partner	4.6		Draft memos to M. Lubic and M. Gearin regarding [REDACTED]			11/12/2012
63883861	2037631.00195	11/7/2012	28050	Parrish (NLH), Felton E	Partner	0.6		Telephone call with M. Lubic regarding relief from stay issues			11/30/2012
63951979	2037631.00195	11/14/2012	28050	Parrish (NLH), Felton E	Partner	0.7		Review automatic stay issues			11/30/2012
63951989	2037631.00195	11/14/2012	28050	Parrish (NLH), Felton E	Partner	1.1		Participate in conference call regarding automatic stay issues and enforcement against San Bernardino			11/30/2012
63952000	2037631.00195	11/14/2012	28050	Parrish (NLH), Felton E	Partner	0.9		Review San Bernardino bankruptcy filings			11/30/2012
63971248	2037631.00195	11/15/2012	28050	Parrish (NLH), Felton E	Partner	1.5		Review San Bernardino bankruptcy filings			11/30/2012
63971262	2037631.00195	11/15/2012	28050	Parrish (NLH), Felton E	Partner	3.4		Draft motion for relief from stay			11/30/2012
63987844	2037631.00195	11/18/2012	28050	Parrish (NLH), Felton E	Partner	3.6		Review automatic stay issues			11/30/2012
63987848	2037631.00195	11/18/2012	28050	Parrish (NLH), Felton E	Partner	3.0		Draft motion for relief from stay			11/30/2012
63987888	2037631.00195	11/18/2012	28050	Parrish (NLH), Felton E	Partner	0.7		Memorandum to M. Lubic regarding draft stay relief motion			11/30/2012
63987946	2037631.00195	11/18/2012	28050	Parrish (NLH), Felton E	Partner	0.4		Review emails from M. Lubic regarding pendency plan filed by San Bernardino			11/30/2012
64012728	2037631.00195	11/19/2012	28050	Parrish (NLH), Felton E	Partner	0.6		Review email from M. Lubic regarding revisions to stay relief motion			11/30/2012
64012744	2037631.00195	11/19/2012	28050	Parrish (NLH), Felton E	Partner	0.3		Memo to M. Lubic			11/30/2012
64012824	2037631.00195	11/19/2012	28050	Parrish (NLH), Felton E	Partner	2.8		Review administrative expense and stay relief issues			11/30/2012
64012833	2037631.00195	11/19/2012	28050	Parrish (NLH), Felton E	Partner	2.3		Revise motion for stay relief			11/30/2012
64012896	2037631.00195	11/19/2012	28050	Parrish (NLH), Felton E	Partner	0.7		Memorandum to M. Lubic regarding revised motion			11/30/2012
64012962	2037631.00195	11/20/2012	28050	Parrish (NLH), Felton E	Partner	0.3		Review article regarding term, notice issues			11/30/2012
64012970	2037631.00195	11/20/2012	28050	Parrish (NLH), Felton E	Partner	0.7		Review stay relief issues			11/30/2012
64048009	2037631.00195	11/26/2012	28050	Parrish (NLH), Felton E	Partner	0.2		Review memo from M. Lubic regarding administrative claim issue			11/30/2012
64048015	2037631.00195	11/26/2012	28050	Parrish (NLH), Felton E	Partner	2.4		Review research regarding administrative claim issue			11/30/2012
64048040	2037631.00195	11/26/2012	28050	Parrish (NLH), Felton E	Partner	1.4		Memo to M. Lubic regarding administrative claim issues			11/30/2012
64059700	2037631.00195	11/27/2012	28050	Parrish (NLH), Felton E	Partner	0.5		Review comments to stay relief motion			11/30/2012
64059777	2037631.00195	11/27/2012	28050	Parrish (NLH), Felton E	Partner	2.6		Review California cases regarding Calpers state law issues			11/30/2012
64059802	2037631.00195	11/27/2012	28050	Parrish (NLH), Felton E	Partner	1.4		Review stay relief motion			11/30/2012
64075338	2037631.00195	11/28/2012	28050	Parrish (NLH), Felton E	Partner	0.6		Review final form of motion			11/30/2012
64085641	2037631.00195	11/29/2012	28050	Parrish (NLH), Felton E	Partner	0.3		Review articles regarding stay relief motion			11/30/2012
64119643	2037631.00195	12/3/2012	28050	Parrish (NLH), Felton E	Partner	0.2		Review Ambac Brief			1/30/2013
64119653	2037631.00195	12/3/2012	28050	Parrish (NLH), Felton E	Partner	1.3		Review filings by Ambac and City of San Bernardino regarding eligibility			1/30/2013
64119679	2037631.00195	12/3/2012	28050	Parrish (NLH), Felton E	Partner	1.2		Review administrative claim issues in chapter 9 cases			1/30/2013
64119692	2037631.00195	12/3/2012	28050	Parrish (NLH), Felton E	Partner	1.2		Participate in conference call regarding San Bernardino stay and eligibility issues			1/30/2013
64136008	2037631.00195	12/4/2012	28050	Parrish (NLH), Felton E	Partner	0.2		Review correspondence from M. Lubic and M. Gearin			1/30/2013
64136145	2037631.00195	12/4/2012	28050	Parrish (NLH), Felton E	Partner	0.7		Conference call regarding administrative claim and pension issues			1/30/2013
64152959	2037631.00195	12/5/2012	28050	Parrish (NLH), Felton E	Partner	0.4		Research administrative claim issues			1/30/2013
64173640	2037631.00195	12/6/2012	28050	Parrish (NLH), Felton E	Partner	0.9		Participate in weekly status conference call			1/30/2013
64173650	2037631.00195	12/6/2012	28050	Parrish (NLH), Felton E	Partner	5.3		Draft administrative expense section to response brief			1/30/2013

Index	Matter	Date	Timekeeper	Name	Title	Hours	Amount	Narrative	TASK	ACTIVITY	Bill Date
64198784	2037831.00195	12/7/2012	28050	Parrish (NLH), Felton E	Partner	6.3	[REDACTED]	Draft insert to response regarding administrative claim issues			1/30/2013
64198789	2037831.00195	12/7/2012	28050	Parrish (NLH), Felton E	Partner	0.4	[REDACTED]	Memo to M. Lubic and M. Gearin regarding draft insert			1/30/2013
64218475	2037831.00195	12/10/2012	28050	Parrish (NLH), Felton E	Partner	3.4	[REDACTED]	Research regarding administrative claim issues			1/30/2013
64218484	2037831.00195	12/10/2012	28050	Parrish (NLH), Felton E	Partner	2.3	[REDACTED]	Review legislative history regarding administrative expenses			1/30/2013
64218498	2037831.00195	12/10/2012	28050	Parrish (NLH), Felton E	Partner	0.8	[REDACTED]	Memorandum to M. Gearin regarding legislative history			1/30/2013
64218518	2037831.00195	12/10/2012	28050	Parrish (NLH), Felton E	Partner	0.6	[REDACTED]	Review bondholder response to stay relief motion			1/30/2013
64233461	2037831.00195	12/11/2012	28050	Parrish (NLH), Felton E	Partner	0.5	[REDACTED]	Revise administrative expense section to eligibility brief			1/30/2013
64233471	2037831.00195	12/11/2012	28050	Parrish (NLH), Felton E	Partner	2.9	[REDACTED]	Revise administrative expense section to eligibility brief			1/30/2013
64233481	2037831.00195	12/11/2012	28050	Parrish (NLH), Felton E	Partner	0.3	[REDACTED]	Memorandum to B. Pederson regarding revised eligibility brief section			1/30/2013
64233491	2037831.00195	12/11/2012	28050	Parrish (NLH), Felton E	Partner	1.7	[REDACTED]	Review objection to stay relief filed by City and bondholder			1/30/2013
64233496	2037831.00195	12/11/2012	28050	Parrish (NLH), Felton E	Partner	2.8	[REDACTED]	Research automatic stay issues			1/30/2013
64233509	2037831.00195	12/11/2012	28050	Parrish (NLH), Felton E	Partner	1.8	[REDACTED]	Conference call with Mesrirow regarding [REDACTED]			1/30/2013
64233524	2037831.00195	12/11/2012	28050	Parrish (NLH), Felton E	Partner	0.3	[REDACTED]	Conference with N. Lebioda regarding stay issues			1/30/2013
64233530	2037831.00195	12/11/2012	28050	Parrish (NLH), Felton E	Partner	2.9	[REDACTED]	Begin outlining stay motion reply			1/30/2013
64253788	2037831.00195	12/12/2012	28050	Parrish (NLH), Felton E	Partner	3.2	[REDACTED]	Draft stay relief reply			1/30/2013
64253839	2037831.00195	12/12/2012	28050	Parrish (NLH), Felton E	Partner	0.4	[REDACTED]	Telephone call with M. Ryan regarding 903 issues			1/30/2013
64253852	2037831.00195	12/12/2012	28050	Parrish (NLH), Felton E	Partner	0.3	[REDACTED]	Telephone call with B. Peterson regarding compliance with state law			1/30/2013
64253863	2037831.00195	12/12/2012	28050	Parrish (NLH), Felton E	Partner	2.8	[REDACTED]	Continue drafting reply			1/30/2013
64253977	2037831.00195	12/12/2012	28050	Parrish (NLH), Felton E	Partner	1.3	[REDACTED]	Review California Labor Code issues			1/30/2013
64262967	2037831.00195	12/13/2012	28050	Parrish (NLH), Felton E	Partner	2.3	[REDACTED]	Draft stay relief reply			1/30/2013
64262970	2037831.00195	12/13/2012	28050	Parrish (NLH), Felton E	Partner	1.1	[REDACTED]	Review eligibility reply			1/30/2013
64262971	2037831.00195	12/13/2012	28050	Parrish (NLH), Felton E	Partner	0.9	[REDACTED]	Memorandum to M. Gearin regarding eligibility reply			1/30/2013
64262975	2037831.00195	12/13/2012	28050	Parrish (NLH), Felton E	Partner	2.6	[REDACTED]	Revise eligibility brief			1/30/2013
64262977	2037831.00195	12/13/2012	28050	Parrish (NLH), Felton E	Partner	0.4	[REDACTED]	Review draft declaration			1/30/2013
64262988	2037831.00195	12/13/2012	28050	Parrish (NLH), Felton E	Partner	0.4	[REDACTED]	Conference with R. Crisafulli regarding [REDACTED]			1/30/2013
64263068	2037831.00195	12/13/2012	28050	Parrish (NLH), Felton E	Partner	0.3	[REDACTED]	Memorandum to K. Diaz regarding CalPERS declaration			1/30/2013
64263108	2037831.00195	12/13/2012	28050	Parrish (NLH), Felton E	Partner	2.3	[REDACTED]	Continue revising eligibility brief			1/30/2013
64263114	2037831.00195	12/13/2012	28050	Parrish (NLH), Felton E	Partner	3.1	[REDACTED]	Draft stay relief reply			1/30/2013
64263124	2037831.00195	12/13/2012	28050	Parrish (NLH), Felton E	Partner	0.7	[REDACTED]	Review preemption materials drafted by N. Lebioda			1/30/2013
64285198	2037831.00195	12/14/2012	28050	Parrish (NLH), Felton E	Partner	0.8	[REDACTED]	Review eligibility reply			1/30/2013
64285286	2037831.00195	12/14/2012	28050	Parrish (NLH), Felton E	Partner	0.6	[REDACTED]	Correspondence with B. Peterson regarding eligibility issue			1/30/2013
64285321	2037831.00195	12/14/2012	28050	Parrish (NLH), Felton E	Partner	7.5	[REDACTED]	Draft stay relief reply			1/30/2013
64285341	2037831.00195	12/15/2012	28050	Parrish (NLH), Felton E	Partner	1.7	[REDACTED]	Participate in conference call [REDACTED]			1/30/2013
64285371	2037831.00195	12/16/2012	28050	Parrish (NLH), Felton E	Partner	7.0	[REDACTED]	Revise stay relief reply			1/30/2013
64285385	2037831.00195	12/16/2012	28050	Parrish (NLH), Felton E	Partner	0.4	[REDACTED]	Conference with M. Ryan regarding [REDACTED]			1/30/2013
64285393	2037831.00195	12/16/2012	28050	Parrish (NLH), Felton E	Partner	1.3	[REDACTED]	Conference call regarding [REDACTED]			1/30/2013
64298888	2037831.00195	12/17/2012	28050	Parrish (NLH), Felton E	Partner	7.5	[REDACTED]	Review and revise brief			1/30/2013
64298901	2037831.00195	12/17/2012	28050	Parrish (NLH), Felton E	Partner	1.0	[REDACTED]	Review comments from M. Lubic and M. Ryan to brief			1/30/2013
64298912	2037831.00195	12/17/2012	28050	Parrish (NLH), Felton E	Partner	0.4	[REDACTED]	Correspondence with P. Mixon regarding [REDACTED]			1/30/2013
64298918	2037831.00195	12/17/2012	28050	Parrish (NLH), Felton E	Partner	0.8	[REDACTED]	Incorporate comments to brief from P. Mixon			1/30/2013
64298926	2037831.00195	12/17/2012	28050	Parrish (NLH), Felton E	Partner	0.3	[REDACTED]	Correspondence to team regarding final brief status			1/30/2013

Index	Matter	Date	Timekeeper	Name	Title	Hours	Amount	Narrative	TASK	ACTIVITY	Bill Date
64298930	2037631.00195	12/17/2012	28050	Parrish (NLH), Felton E	Partner	1.3		Conduct final review of brief			1/30/2013
64298934	2037631.00195	12/17/2012	28050	Parrish (NLH), Felton E	Partner	0.2		Memo to M. Ryan regarding final comments			1/30/2013
64298944	2037631.00195	12/17/2012	28050	Parrish (NLH), Felton E	Partner	0.6		Participate in conference call with Mesirov			1/30/2013
64298947	2037631.00195	12/17/2012	28050	Parrish (NLH), Felton E	Partner	0.5		Review final declarations			1/30/2013
64326893	2037631.00195	12/19/2012	28050	Parrish (NLH), Felton E	Partner	0.5		Participate in weekly conference call			1/30/2013
64355853	2037631.00195	12/21/2012	28050	Parrish (NLH), Felton E	Partner	0.6		Review supplemental stay filing by San Bernardino			1/30/2013
64355859	2037631.00195	12/21/2012	28050	Parrish (NLH), Felton E	Partner	0.4		Memorandum to M. Gearin and M. Lubic regarding supplemental San Bernardino filing			1/30/2013
64355886	2037631.00195	12/21/2012	28050	Parrish (NLH), Felton E	Partner	4.7		Attend San Bernardino hearing by telephone			1/30/2013
64379140	2037631.00195	12/27/2012	28050	Parrish (NLH), Felton E	Partner	2.1		Review materials regarding			1/30/2013
64416447	2037631.00195	1/2/2013	28050	Parrish (NLH), Felton E	Partner	0.8		Memorandum to M. Lubic regarding issues for additional research	9 P		3/31/2013
64416467	2037631.00195	1/2/2013	28050	Parrish (NLH), Felton E	Partner	0.7		Review issues	9 P		3/31/2013
64416472	2037631.00195	1/2/2013	28050	Parrish (NLH), Felton E	Partner	0.7		Participate in weekly status call	9 P		3/31/2013
64416487	2037631.00195	1/2/2013	28050	Parrish (NLH), Felton E	Partner	0.4		Telephone call with M. Gearin and M. Lubic regarding issues	18 P		3/31/2013
64426270	2037631.00195	1/3/2013	28050	Parrish (NLH), Felton E	Partner	0.6		Conference with W. Petraglia regarding research	9 P		3/31/2013
64426278	2037631.00195	1/3/2013	28050	Parrish (NLH), Felton E	Partner	2.7		Review materials regarding research	9 P		3/31/2013
64426293	2037631.00195	1/3/2013	28050	Parrish (NLH), Felton E	Partner	0.9		Review issues	9 P		3/31/2013
64442209	2037631.00195	1/4/2013	28050	Parrish (NLH), Felton E	Partner	0.9		Review issues	9 P		3/31/2013
64442223	2037631.00195	1/4/2013	28050	Parrish (NLH), Felton E	Partner	0.6		Conference with N. Lebioda regarding administrative expense brief	9 P		3/31/2013
64442240	2037631.00195	1/4/2013	28050	Parrish (NLH), Felton E	Partner	0.5		Research regarding issues	9 P		3/31/2013
64442303	2037631.00195	1/4/2013	28050	Parrish (NLH), Felton E	Partner	3.0		Research regarding issues	9 P		3/31/2013
64442320	2037631.00195	1/4/2013	28050	Parrish (NLH), Felton E	Partner	0.7		Memorandum to M. Gearin regarding preliminary results of pension research	9 P		3/31/2013
64451828	2037631.00195	1/7/2013	28050	Parrish (NLH), Felton E	Partner	0.9		Review administrative claim issues	9 P		3/31/2013
64451841	2037631.00195	1/7/2013	28050	Parrish (NLH), Felton E	Partner	0.2		Review memo from W. Petraglia regarding issues	9 P		3/31/2013
64466618	2037631.00195	1/8/2013	28050	Parrish (NLH), Felton E	Partner	0.4		Conference with W. Petraglia regarding issues	9 P		3/31/2013
64466772	2037631.00195	1/8/2013	28050	Parrish (NLH), Felton E	Partner	0.4		Conference with N. Lebioda regarding administrative expense issues	9 P		3/31/2013
64477174	2037631.00195	1/9/2013	28050	Parrish (NLH), Felton E	Partner	0.2		Conference with W. Petraglia regarding issues	9 P		3/31/2013
64477188	2037631.00195	1/9/2013	28050	Parrish (NLH), Felton E	Partner	0.4		Conference with N. Lebioda regarding legislative history issues	9 P		3/31/2013
64477233	2037631.00195	1/9/2013	28050	Parrish (NLH), Felton E	Partner	1.6		Review administrative expense issues	9 P		3/31/2013
64477246	2037631.00195	1/9/2013	28050	Parrish (NLH), Felton E	Partner	1.3		Participate in weekly conference call	18 P		3/31/2013
64477258	2037631.00195	1/9/2013	28050	Parrish (NLH), Felton E	Partner	0.7		Memorandum to M. Gearin regarding	9 P		3/31/2013
64477267	2037631.00195	1/9/2013	28050	Parrish (NLH), Felton E	Partner	0.3		Conference with N. Lebioda regarding administrative expense brief	9 P		3/31/2013
64477273	2037631.00195	1/9/2013	28050	Parrish (NLH), Felton E	Partner	1.2		Research regarding issues	9 P		3/31/2013
64492587	2037631.00195	1/10/2013	28050	Parrish (NLH), Felton E	Partner	0.3		Correspondence with M. Knoll regarding	9 P		3/31/2013
64492936	2037631.00195	1/10/2013	28050	Parrish (NLH), Felton E	Partner	1.2		Outline issues	9 P		3/31/2013

Index	Matter	Date	Timekeeper	Name	Title	Hours	Amount	Narrative	TASK	ACTIVITY	Bill Date
64492949	2037631.00195	1/10/2013	28050	Parrish (NLH), Felton E	Partner	3.7	[REDACTED]	Research regarding assumption of private pension plans and treatment of private pension plans in bankruptcy	9 P		3/31/2013
64492964	2037631.00195	1/10/2013	28050	Parrish (NLH), Felton E	Partner	0.4	[REDACTED]	Memorandum to M. Ryan regarding legislative history	11 P		3/31/2013
64492968	2037631.00195	1/10/2013	28050	Parrish (NLH), Felton E	Partner	1.2	[REDACTED]	Memorandum to M. Gearin regarding private pension issues	9 P		3/31/2013
64492983	2037631.00195	1/10/2013	28050	Parrish (NLH), Felton E	Partner	0.9	[REDACTED]	Review draft administrative expense brief and related cases	9 P		3/31/2013
64508781	2037631.00195	1/11/2013	28050	Parrish (NLH), Felton E	Partner	0.6	[REDACTED]	Conference with N. Lebioda regarding administrative expense issues	9 P		3/31/2013
64508795	2037631.00195	1/11/2013	28050	Parrish (NLH), Felton E	Partner	0.3	[REDACTED]	Draft administrative expense brief	9 P		3/31/2013
64508834	2037631.00195	1/11/2013	28050	Parrish (NLH), Felton E	Partner	2.8	[REDACTED]	Draft administrative expense brief	9 P		3/31/2013
64508908	2037631.00195	1/13/2013	28050	Parrish (NLH), Felton E	Partner	8.3	[REDACTED]	Draft administrative expense brief	9 P		3/31/2013
64532962	2037631.00195	1/14/2013	28050	Parrish (NLH), Felton E	Partner	7.8	[REDACTED]	Draft administrative expense brief	9 P		3/31/2013
64532980	2037631.00195	1/14/2013	28050	Parrish (NLH), Felton E	Partner	0.2	[REDACTED]	Memorandum to M. Gearin and M. Lubic regarding draft brief	9 P		3/31/2013
64532988	2037631.00195	1/14/2013	28050	Parrish (NLH), Felton E	Partner	0.9	[REDACTED]	Review memo from W. Petraglia regarding pension issues	9 P		3/31/2013
64533002	2037631.00195	1/14/2013	28050	Parrish (NLH), Felton E	Partner	0.7	[REDACTED]	Review pension issues	9 P		3/31/2013
64552572	2037631.00195	1/15/2013	28050	Parrish (NLH), Felton E	Partner	1.1	[REDACTED]	Review Chapter 9 eligibility issue	13 P		3/31/2013
64552651	2037631.00195	1/15/2013	28050	Parrish (NLH), Felton E	Partner	0.8	[REDACTED]	Continue research regarding eligibility issues	13 P		3/31/2013
64552674	2037631.00195	1/15/2013	28050	Parrish (NLH), Felton E	Partner	1.4	[REDACTED]	Review administrative expense memorandum drafted by W. Petraglia	9 P		3/31/2013
64567005	2037631.00195	1/16/2013	28050	Parrish (NLH), Felton E	Partner	1.4	[REDACTED]	Review draft memo regarding [REDACTED] private pension claims	9 P		3/31/2013
64567018	2037631.00195	1/16/2013	28050	Parrish (NLH), Felton E	Partner	0.6	[REDACTED]	Revise administrative expense memo	9 P		3/31/2013
64567088	2037631.00195	1/16/2013	28050	Parrish (NLH), Felton E	Partner	0.5	[REDACTED]	Conference with W. Petraglia regarding revisions to administrative expense memo and related issues	9 P		3/31/2013
64596813	2037631.00195	1/18/2013	28050	Parrish (NLH), Felton E	Partner	2.6	[REDACTED]	Review and revise administrative expense memo	9 P		3/31/2013
64621428	2037631.00195	1/22/2013	28050	Parrish (NLH), Felton E	Partner	0.4	[REDACTED]	Finalize memo regarding private pension claims regarding bankruptcy	9 P		3/31/2013
64621443	2037631.00195	1/22/2013	28050	Parrish (NLH), Felton E	Partner	2.2	[REDACTED]	Finalize private pension memo	9 P		3/31/2013
64621453	2037631.00195	1/22/2013	28050	Parrish (NLH), Felton E	Partner	0.3	[REDACTED]	Memorandum to M. Gearin regarding private pension memo	9 P		3/31/2013
64621527	2037631.00195	1/22/2013	28050	Parrish (NLH), Felton E	Partner	0.3	[REDACTED]	Memorandum to M. Gearin and K. J. Swan regarding compilation of research	9 P		3/31/2013
64621953	2037631.00195	1/23/2013	28050	Parrish (NLH), Felton E	Partner	1.1	[REDACTED]	Participate in weekly conference call regarding chapter 9 issues	18 P		3/31/2013
64621963	2037631.00195	1/23/2013	28050	Parrish (NLH), Felton E	Partner	1.1	[REDACTED]	Review ERISA issues in bankruptcy	9 P		3/31/2013
64765580	2037631.00195	2/6/2013	28050	Parrish (NLH), Felton E	Partner	1.5	[REDACTED]	Review cases regarding assumption of private pension plans	9 P		4/30/2013
64765595	2037631.00195	2/6/2013	28050	Parrish (NLH), Felton E	Partner	0.7	[REDACTED]	Participate in weekly status conference call	18 P		4/30/2013
64765605	2037631.00195	2/6/2013	28050	Parrish (NLH), Felton E	Partner	2.3	[REDACTED]	Research regarding chapter 11 treatment of private pension plans	9 P		4/30/2013
64776941	2037631.00195	2/7/2013	28050	Parrish (NLH), Felton E	Partner	6.2	[REDACTED]	Review private pension issues [REDACTED]	9 P		4/30/2013
64789588	2037631.00195	2/8/2013	28050	Parrish (NLH), Felton E	Partner	0.7	[REDACTED]	Review [REDACTED]	9 P		4/30/2013
64789759	2037631.00195	2/8/2013	28050	Parrish (NLH), Felton E	Partner	3.2	[REDACTED]	Research regarding private pension issues	9 P		4/30/2013
64798902	2037631.00195	2/11/2013	28050	Parrish (NLH), Felton E	Partner	0.3	[REDACTED]	Review San Bernardino status report	8 P		4/30/2013
64798912	2037631.00195	2/11/2013	28050	Parrish (NLH), Felton E	Partner	0.6	[REDACTED]	Review transcript of Stockton 9019 hearing	8 P		4/30/2013

Index	Matter	Date	Timekeeper	Name	Title	Hours	Amount	Narrative	TASK	ACTIVITY	Bill Date
64798939	2037631.00195	2/11/2013	28050	Parrish (NLH), Felton E	Partner	0.9	[REDACTED]	Review cases regarding private pension issues	9	P	4/30/2013
64798962	2037631.00195	2/11/2013	28050	Parrish (NLH), Felton E	Partner	3.1	[REDACTED]	Memorandum to M. Gearin regarding private pension issues	9	P	4/30/2013
64848556	2037631.00195	2/14/2013	28050	Parrish (NLH), Felton E	Partner	1.0	[REDACTED]	Participation in weekly conference call regarding status	18	P	4/30/2013
64986441	2037631.00195	2/28/2013	28050	Parrish (NLH), Felton E	Partner	0.7	[REDACTED]	Conference call with M. Gearin, M. Lubic, M. Ryan regarding union relief from stay motion;	29	P	4/30/2013
64986456	2037631.00195	2/28/2013	28050	Parrish (NLH), Felton E	Partner	1.0	[REDACTED]	Review materials forwarded by M. Ryan regarding Union issues	29	P	4/30/2013
65013745	2037631.00195	3/1/2013	28050	Parrish (NLH), Felton E	Partner	2.6	[REDACTED]	Review pension stay relief pleadings and related materials	9	P	
65013753	2037631.00195	3/1/2013	28050	Parrish (NLH), Felton E	Partner	1.8	[REDACTED]	Legal research regarding effect of rejection of collective bargaining agreement	9	P	
65013761	2037631.00195	3/1/2013	28050	Parrish (NLH), Felton E	Partner	0.4	[REDACTED]	Memo to M. Lubic, M. Gearin and M. Ryan regarding eligibility issue	9	P	
65013782	2037631.00195	3/3/2013	28050	Parrish (NLH), Felton E	Partner	3.5	[REDACTED]	Legal research regarding pension stay relief issues	18	P	
65024667	2037631.00195	3/4/2013	28050	Parrish (NLH), Felton E	Partner	1.0	[REDACTED]	Review union stay relief issues	18	P	
65024993	2037631.00195	3/4/2013	28050	Parrish (NLH), Felton E	Partner	1.1	[REDACTED]	Participate in conference call regarding union stay relief issues	8	P	
65025353	2037631.00195	3/4/2013	28050	Parrish (NLH), Felton E	Partner	0.3	[REDACTED]	Conference with N. Lebioda regarding effect of rejection of CBA	8	P	
65038654	2037631.00195	3/5/2013	28050	Parrish (NLH), Felton E	Partner	4.4	[REDACTED]	Research effect of rejection of CBA	8	P	
65038818	2037631.00195	3/5/2013	28050	Parrish (NLH), Felton E	Partner	0.7	[REDACTED]	Participate in conference call regarding response to rejection motion	8	P	
65047616	2037631.00195	3/6/2013	28050	Parrish (NLH), Felton E	Partner	0.9	[REDACTED]	Review memo from N. Lebioda regarding effect of rejection of pension agreement	29	P	
65047763	2037631.00195	3/6/2013	28050	Parrish (NLH), Felton E	Partner	0.8	[REDACTED]	Review memo from N. Lebioda regarding ability of municipality to impose employment terms	29	P	
65047828	2037631.00195	3/6/2013	28050	Parrish (NLH), Felton E	Partner	1.3	[REDACTED]	Research regarding CBA rejection issues	29	P	
65075806	2037631.00195	3/7/2013	28050	Parrish (NLH), Felton E	Partner	0.6	[REDACTED]	Review motion to reject collective bargaining agreement	29	P	
65075814	2037631.00195	3/7/2013	28050	Parrish (NLH), Felton E	Partner	3.4	[REDACTED]	Research regarding effect of rejection	29	P	
65075890	2037631.00195	3/8/2013	28050	Parrish (NLH), Felton E	Partner	4.0	[REDACTED]	Review rejection issues and outline response	29	P	
65075914	2037631.00195	3/10/2013	28050	Parrish (NLH), Felton E	Partner	4.4	[REDACTED]	Review rejection issues and prepare response	29	P	
65094868	2037631.00195	3/11/2013	28050	Parrish (NLH), Felton E	Partner	5.7	[REDACTED]	Draft response to motion to reject collective bargaining agreement	29	P	
65111021	2037631.00195	3/12/2013	28050	Parrish (NLH), Felton E	Partner	1.0	[REDACTED]	Conference call regarding response to City motion to reject Memorandum to M. Gearin regarding enforceability of contract pending assumption	29	P	
65111036	2037631.00195	3/12/2013	28050	Parrish (NLH), Felton E	Partner	1.0	[REDACTED]	Review union rejection issues	29	P	
65126285	2037631.00195	3/13/2013	28050	Parrish (NLH), Felton E	Partner	3.2	[REDACTED]	Draft insert to rejection response	29	P	
65137920	2037631.00195	3/14/2013	28050	Parrish (NLH), Felton E	Partner	7.2	[REDACTED]	Participate in conference call regarding status of response brief	29	P	
65158988	2037631.00195	3/15/2013	28050	Parrish (NLH), Felton E	Partner	0.8	[REDACTED]	Research effect of entry of order for relief and timing of rejection motion	29	P	
65159002	2037631.00195	3/15/2013	28050	Parrish (NLH), Felton E	Partner	2.8	[REDACTED]	Draft section of brief regarding rejection motion premature	29	P	
65159013	2037631.00195	3/15/2013	28050	Parrish (NLH), Felton E	Partner	2.5	[REDACTED]	Review emails regarding status of rejection response	29	P	
65164436	2037631.00195	3/18/2013	28050	Parrish (NLH), Felton E	Partner	0.3	[REDACTED]	Participate in weekly status update call	29	P	
65183297	2037631.00195	3/19/2013	28050	Parrish (NLH), Felton E	Partner	0.5	[REDACTED]	Review draft of response to rejection motion	29	P	
65183300	2037631.00195	3/19/2013	28050	Parrish (NLH), Felton E	Partner	0.8	[REDACTED]				

Index	Matter	Date	Timekeeper	Name	Title	Hours	Amount	Narrative	TASK	ACTIVITY	Bill Date
65197022	2037831.00195	3/20/2013	28050	Parrish (NLH), Felton E	Partner	3.7		Review and revise rejection response	29	P	
65208738	2037831.00195	3/21/2013	28050	Parrish (NLH), Felton E	Partner	4.5		Revise rejection response brief	29	P	
64048083	2037831.00197	11/26/2012	28050	Parrish (NLH), Felton E	Partner	1.2		Review administrative claim issues			11/30/2012
64119636	2037831.00197	12/3/2012	28050	Parrish (NLH), Felton E	Partner	0.6		Telephone call with M. Lubic and K. Diaz regarding administrative priority issue			1/30/2013
64173328	2037831.00197	12/6/2012	28050	Parrish (NLH), Felton E	Partner	1.3		Review payment issues			1/30/2013
64173334	2037831.00197	12/6/2012	28050	Parrish (NLH), Felton E	Partner	0.6		Memorandum to M. Lubic regarding administrative expenses			1/30/2013
64173360	2037831.00197	12/6/2012	28050	Parrish (NLH), Felton E	Partner	1.0		Correspondence with M. Lubic regarding payment			1/30/2013
64423568	2037831.00195	1/3/2013	28234	Petraglia, William C.	Associate	0.5		Conference with F. Parrish re case background and administrative priority research	9	A	3/31/2013
64446488	2037831.00195	1/7/2013	28234	Petraglia, William C.	Associate	1.0		Research Treatise Articles and Cases re pension fund claims in bankruptcy	9	A	3/31/2013
64446518	2037831.00195	1/7/2013	28234	Petraglia, William C.	Associate	6.7		Review Treatise Articles, Cases and applicable Code sections re pension fund claims in bankruptcy	9	A	3/31/2013
64460144	2037831.00195	1/8/2013	28234	Petraglia, William C.	Associate	2.9		Review cases re pension fund claims in bankruptcy	9	A	3/31/2013
64473963	2037831.00195	1/9/2013	28234	Petraglia, William C.	Associate	6.4		Research and review cases re pension fund claims in bankruptcy	9	A	3/31/2013
64505856	2037831.00195	1/10/2013	28234	Petraglia, William C.	Associate	1.0		Draft pension claims memo outline	9	A	3/31/2013
64505857	2037831.00195	1/10/2013	28234	Petraglia, William C.	Associate	1.5		Sheppardize cases cited in pension claims memo	9	A	3/31/2013
64505858	2037831.00195	1/10/2013	28234	Petraglia, William C.	Associate	3.5		Research and review cases and treatise articles re	9	A	3/31/2013
64505859	2037831.00195	1/10/2013	28234	Petraglia, William C.	Associate	3.5		Research and review cases and treatise articles re	9	A	3/31/2013
64505860	2037831.00195	1/10/2013	28234	Petraglia, William C.	Associate	1.0		Research and review cases and treatise articles re claims	9	A	3/31/2013
64505861	2037831.00195	1/10/2013	28234	Petraglia, William C.	Associate	2.4		ERISA	9	A	3/31/2013
64505862	2037831.00195	1/11/2013	28234	Petraglia, William C.	Associate	10.5		Draft and revise memo re pension claims in bankruptcy	9	A	3/31/2013
64505863	2037831.00195	1/11/2013	28234	Petraglia, William C.	Associate	1.0		Review memo re pension claims in bankruptcy	9	A	3/31/2013
64505864	2037831.00195	1/11/2013	28234	Petraglia, William C.	Associate	0.6		Review emails from F. Parrish and M. Gearin re claims issues	9	A	3/31/2013
64505865	2037831.00195	1/11/2013	28234	Petraglia, William C.	Associate	1.5		Review Collier's Monograph treatise re pension claims in bankruptcy	9	A	3/31/2013
64505866	2037831.00195	1/11/2013	28234	Petraglia, William C.	Associate	0.5		Conferences and emails with F. Parrish re pension claims in bankruptcy	9	A	3/31/2013

Index	Matter	Date	Timekeeper	Name	Title	Hours	Amount	Narrative	TASK	ACTIVITY	Bill Date
64557428	2037631.00195	1/16/2013	28234	Petraglia, William C.	Associate	0.6	[REDACTED]	Review [REDACTED] preparation for call with CalPERS financial advisors	9 A		3/31/2013
64557449	2037631.00195	1/16/2013	28234	Petraglia, William C.	Associate	0.7	[REDACTED]	Call with CalPERS Financial Advisors [REDACTED]	9 A		3/31/2013
64557467	2037631.00195	1/16/2013	28234	Petraglia, William C.	Associate	0.7	[REDACTED]	Review F. Parrish comments to [REDACTED] Bankruptcy Memo	9 A		3/31/2013
64557477	2037631.00195	1/16/2013	28234	Petraglia, William C.	Associate	2.8	[REDACTED]	Revise [REDACTED] Bankruptcy Memo	9 A		3/31/2013
64572238	2037631.00195	1/17/2013	28234	Petraglia, William C.	Associate	0.6	[REDACTED]	Draft Conclusion / Application section [REDACTED] Bankruptcy Memo	9 A		3/31/2013
64572239	2037631.00195	1/17/2013	28234	Petraglia, William C.	Associate	0.9	[REDACTED]	Review and revise [REDACTED] Bankruptcy Memo	9 A		3/31/2013
65012207	2037631.00195	3/4/2013	28234	Petraglia, William C.	Associate	2.0	[REDACTED]	Research and review treatise articles and cases re interpretation of conflicting statutes	9 A		
65012219	2037631.00195	3/4/2013	28234	Petraglia, William C.	Associate	0.5	[REDACTED]	Draft email memo to F. Parrish re interpretation of conflicting statutes	9 A		
63468860	2037631.00195	10/1/2012	28371	Lebioda, Nathan P. J.	Associate	0.9	[REDACTED]	Communicate with F. Parrish regarding application of 1 USC 922 automatic stay to certain causes of action			11/12/2012
63890453	2037631.00195	10/1/2012	28371	Lebioda, Nathan P. J.	Associate	1.0	[REDACTED]	Research case law, secondary sources and legislative history in connection with same			11/12/2012
63481993	2037631.00195	10/2/2012	28371	Lebioda, Nathan P. J.	Associate	1.0	[REDACTED]	Research and analyze case law, legislative history and secondary sourced in connection with analysis of automatic stay in Chapter 9 cases			11/12/2012
63890465	2037631.00195	10/2/2012	28371	Lebioda, Nathan P. J.	Associate	1.2	[REDACTED]	Draft memo in connection with same			11/12/2012
63493725	2037631.00195	10/3/2012	28371	Lebioda, Nathan P. J.	Associate	1.0	[REDACTED]	Analyze case law addressing same			11/12/2012
63890483	2037631.00195	10/3/2012	28371	Lebioda, Nathan P. J.	Associate	1.2	[REDACTED]	Research legislative history regarding 11 U.S.C. 922			11/12/2012
63890486	2037631.00195	10/3/2012	28371	Lebioda, Nathan P. J.	Associate	0.3	[REDACTED]	Draft memorandum in connection with same			11/12/2012
63510076	2037631.00195	10/4/2012	28371	Lebioda, Nathan P. J.	Associate	1.0	[REDACTED]	Draft memorandum in connection with same			11/12/2012
63890812	2037631.00195	10/4/2012	28371	Lebioda, Nathan P. J.	Associate	2.5	[REDACTED]	Research legislative history in connection with section 922 stay			11/12/2012
63890814	2037631.00195	10/4/2012	28371	Lebioda, Nathan P. J.	Associate	0.3	[REDACTED]	Communicate with F. Parrish and L. Carnes regardings same			11/12/2012
63538101	2037631.00195	10/5/2012	28371	Lebioda, Nathan P. J.	Associate	0.5	[REDACTED]	Communicate with L. Carnes regarding same			11/12/2012
63890617	2037631.00195	10/5/2012	28371	Lebioda, Nathan P. J.	Associate	1.4	[REDACTED]	Research legislative history in connection with section 922 stay			11/12/2012
63890620	2037631.00195	10/5/2012	28371	Lebioda, Nathan P. J.	Associate	0.5	[REDACTED]	Draft memorandum in connection with same			11/12/2012
63525029	2037631.00195	10/8/2012	28371	Lebioda, Nathan P. J.	Associate	2.0	[REDACTED]	Research legislative history in connection with section 922 stay; communicate with L. Carnes regarding same			11/12/2012
63890630	2037631.00195	10/8/2012	28371	Lebioda, Nathan P. J.	Associate	2.9	[REDACTED]	Draft memorandum in connection with same			11/12/2012
63607644	2037631.00195	10/15/2012	28371	Lebioda, Nathan P. J.	Associate	0.1	[REDACTED]	Communicate with F. Parrish regarding ch. 9 matters			11/12/2012
64220431	2037631.00195	12/10/2012	28371	Lebioda, Nathan P. J.	Associate	0.1	[REDACTED]	Communicate with F. Parrish regarding lift stay matters			1/30/2013
64220440	2037631.00195	12/10/2012	28371	Lebioda, Nathan P. J.	Associate	0.3	[REDACTED]	Review and analyze response filed by bondholders in connection with lift stay motion			1/30/2013
64239716	2037631.00195	12/11/2012	28371	Lebioda, Nathan P. J.	Associate	1.7	[REDACTED]	Conference call with K&L Gates team regarding strategy for reply briefs in lift stay and eligibility actions			1/30/2013
64239759	2037631.00195	12/11/2012	28371	Lebioda, Nathan P. J.	Associate	0.7	[REDACTED]	Review and analyze reply briefs filed in lift stay action by San Bernardino and bond insurers			1/30/2013
64239828	2037631.00195	12/11/2012	28371	Lebioda, Nathan P. J.	Associate	0.3	[REDACTED]	Communicate with Parrish regarding lift stay reply brief			1/30/2013

Index	Matter	Date	Timekeeper	Name	Title	Hours	Amount	Narrative	TASK	ACTIVITY	Bill Date
64250584	2037631.00195	12/12/2012	28371	Lebioda, Nathan P. J.	Associate	5.1		Research and analysis of case law in connection with preemption argument in stay relief reply			1/30/2013
64251072	2037631.00195	12/12/2012	28371	Lebioda, Nathan P. J.	Associate	0.3		Communicate with Parrish regarding preemption argument in stay relief reply			1/30/2013
64262424	2037631.00195	12/13/2012	28371	Lebioda, Nathan P. J.	Associate	4.4		Draft and revise preemption insert for stay relief brief			1/30/2013
64262433	2037631.00195	12/13/2012	28371	Lebioda, Nathan P. J.	Associate	3.1		Research and analysis of case law in connection with stay relief brief			1/30/2013
64263132	2037631.00195	12/13/2012	28371	Lebioda, Nathan P. J.	Associate	0.3		Communicate with Parrish regarding stay relief brief			1/30/2013
64284309	2037631.00195	12/14/2012	28371	Lebioda, Nathan P. J.	Associate	1.4		Draft and revise inserts for stay relief brief			1/30/2013
64284333	2037631.00195	12/14/2012	28371	Lebioda, Nathan P. J.	Associate	2.2		Research and analysis of case law in connection with stay relief brief			1/30/2013
64284351	2037631.00195	12/14/2012	28371	Lebioda, Nathan P. J.	Associate	0.4		Communicate with Parrish regarding stay relief brief			1/30/2013
64298764	2037631.00195	12/17/2012	28371	Lebioda, Nathan P. J.	Associate	1.9		Review and revise stay reply			1/30/2013
64298773	2037631.00195	12/17/2012	28371	Lebioda, Nathan P. J.	Associate	0.2		Communicate with F. Parrish regarding stay reply			1/30/2013
64449717	2037631.00195	1/4/2013	28371	Lebioda, Nathan P. J.	Associate	0.3		Communicate with Parrish regarding stay relief and next steps on briefing of administrative expense matters	9 A		3/31/2013
64463937	2037631.00195	1/8/2013	28371	Lebioda, Nathan P. J.	Associate	6.2		Research legislative history in connection with payment of administrative expense claims in chapter 9 municipal bankruptcies	9 A		3/31/2013
64463945	2037631.00195	1/8/2013	28371	Lebioda, Nathan P. J.	Associate	0.5		Draft analysis and argument in support of payment of administrative expense claims in chapter 9 municipal bankruptcies	9 A		3/31/2013
64463953	2037631.00195	1/8/2013	28371	Lebioda, Nathan P. J.	Associate	0.4		Communicate with F. Parrish regarding payment of administrative expense claims in chapter 9 municipal bankruptcies	9 A		3/31/2013
64480521	2037631.00195	1/9/2013	28371	Lebioda, Nathan P. J.	Associate	0.8		Communicate with Parrish and Carnes regarding allowance of administrative expenses in municipal bankruptcy	9 A		3/31/2013
64480524	2037631.00195	1/9/2013	28371	Lebioda, Nathan P. J.	Associate	5.1		Research and analyze legislative history and case law discussing allowance of administrative expenses in municipal bankruptcy	9 A		3/31/2013
64480547	2037631.00195	1/9/2013	28371	Lebioda, Nathan P. J.	Associate	3.5		Draft and revise memorandum discussing allowance of administrative expenses in municipal bankruptcy	9 A		3/31/2013
64508250	2037631.00195	1/10/2013	28371	Lebioda, Nathan P. J.	Associate	0.7		Communicate with Parrish, Carnes and Petraglia regarding allowance of administrative expenses in municipal bankruptcy	9 A		3/31/2013
64508258	2037631.00195	1/10/2013	28371	Lebioda, Nathan P. J.	Associate	4.5		Research and analyze legislative history and case law discussing allowance of administrative expenses in municipal bankruptcy	9 A		3/31/2013
64508287	2037631.00195	1/10/2013	28371	Lebioda, Nathan P. J.	Associate	5.2		Draft and revise memorandum discussing allowance of administrative expenses in municipal bankruptcy	9 A		3/31/2013
64514776	2037631.00195	1/11/2013	28371	Lebioda, Nathan P. J.	Associate	1.6		Research and analyze legislative history regarding payment of administrative expenses in chapter 9 municipal bankruptcies	9 A		3/31/2013
64514809	2037631.00195	1/11/2013	28371	Lebioda, Nathan P. J.	Associate	0.3		Communicate with F. Parrish and M. Ryan regarding legislative history surrounding payment of administrative expenses in chapter 9 municipal bankruptcies	9 A		3/31/2013
64948777	2037631.00195	1/11/2013	28371	Lebioda, Nathan P. J.	Associate	0.3		Communicate with L. Carnes regarding compilation of legislative history in connection with same	9 A		3/31/2013

Index	Matter	Date	Timekeeper	Name	Title	Hours	Amount	Narrative	TASK	ACTIVITY	Bill Date
65020698	2037631.00195	3/4/2013	28371	Lebioda, Nathan P. J.	Associate	2.4	█	Research and analysis case law addressing California and federal constitution contracts clause and viability of challenging bankruptcy petitions thereunder	19	A	
65020721	2037631.00195	3/4/2013	28371	Lebioda, Nathan P. J.	Associate	0.3	█	Communicate with Parrish regarding California and federal constitution contracts clause and viability of challenging bankruptcy petitions thereunder	19	A	
65020734	2037631.00195	3/4/2013	28371	Lebioda, Nathan P. J.	Associate	0.4	█	Research impact of ██████████ in chapter 9 bankruptcy	19	A	
65036744	2037631.00195	3/5/2013	28371	Lebioda, Nathan P. J.	Associate	0.4	█	Communicate with F. Parrish regarding implication of ██████████	8	A	
65036750	2037631.00195	3/5/2013	28371	Lebioda, Nathan P. J.	Associate	7.3	█	Research in connection with ██████████			8
65047007	2037631.00195	3/6/2013	28371	Lebioda, Nathan P. J.	Associate	0.3	█	Communicate with F. Parrish regarding implication of ██████████	8	A	
65047012	2037631.00195	3/6/2013	28371	Lebioda, Nathan P. J.	Associate	1.6	█	Draft memorandum regarding implication of ██████████	8	A	
65047016	2037631.00195	3/6/2013	28371	Lebioda, Nathan P. J.	Associate	2.1	█	Research in connection with rejection ██████████			8
65065483	2037631.00195	3/7/2013	28371	Lebioda, Nathan P. J.	Associate	0.3	█	Communicate with Parrish regarding affect of rejection of CBA	8	A	
65065519	2037631.00195	3/7/2013	28371	Lebioda, Nathan P. J.	Associate	0.2	█	Research in connection with affect ██████████	8	A	
65114199	2037631.00195	3/12/2013	28371	Lebioda, Nathan P. J.	Associate	0.7	█	Research 9th circuit law regarding debtors' duty to perform under executory contract prior to assumption or rejection	8	A	
65114219	2037631.00195	3/12/2013	28371	Lebioda, Nathan P. J.	Associate	0.2	█	Communicate with F. Parrish 9th circuit law regarding debtors' duty to perform under executory contract prior to assumption or rejection	8	A	

WINSTON
& STRAWN
LLP

100 North Tryon Street
Charlotte, NC 28202
T: +1 (704) 350-7700
F: +1 (704) 350-7800
www.winston.com

T. THOMAS COTTINGHAM, III
704-350-7745
tcottingham@winston.com

April 19, 2013

VIA EMAIL

Michael J. Gearin
michael.gearin@klgates.com
K&L Gates
925 Fourth Avenue, Suite 2900
Seattle, WA 98104

Re: Employment of Jo Ann Brighton

Dear Michael:

As you know, Winston & Strawn LLP will offer Jo Ann Brighton a position as Partner in our Charlotte office, subject to clearing conflicts. While employed by K&L Gates, we understand that Ms. Brighton assisted in K&L Gates's representation of CalPERS in connection with the San Bernadino and Stockton Bankruptcies (the "CalPERS Matters"). Winston & Strawn LLP currently represents The National Public Finance Guarantee Corporation ("NPFGC") in one or more of the CalPERS Matters.

Therefore, we must assure our client, NPFGC, that Winston & Strawn LLP's employment of Ms. Brighton will not jeopardize our ability to represent NPGGC in the CalPERS Matters. Prior to Ms. Brighton's employment, Winston & Strawn LLP will erect an ethical screen prohibiting Ms. Brighton from participating in our representation of NPFGC in the CalPERS Matters and from discussing the CalPERS Matters with any Winston & Strawn LLP attorneys or staff. Ms. Brighton will not have access to any documents relating to our representation of NPFGC in the CalPERS Matters.

We ask K&L Gates to confirm below on behalf of CalPERS that CalPERS will not seek to disqualify Winston & Strawn LLP from representing NPFGC in the CalPERS Matters due to Ms. Brighton's prior participation in the CalPERS Matters at K&L Gates, provided that Winston & Strawn LLP complies with all of the screening representations in this letter.

BEIJING
CHARLOTTE
CHICAGO
GENEVA
HONG KONG
HOUSTON
LONDON
LOS ANGELES
MOSCOW
NEW YORK
NEWARK
PARIS
SAN FRANCISCO
SHANGHAI
WASHINGTON, D.C.

WINSTON
& STRAWN
LLP

Mr. Michael Gearin
April 19, 2013
Page 2

Respectfully submitted,



T. Thomas Cottingham

CONFIRMED this ___ day of April, 2013

K&L Gates, on behalf of CalPERS

By: _____
Its: _____

From: Parrish, Felton
Sent: Monday, April 22, 2013 2:39 PM
To: Gearin, Mike
Cc: Lubic, Michael B.; Jones, Sean
Subject: CalPERS
Attachments: 20130422164806469_00000001.pdf

Mike,

Sorry we were not able to touch base last week.

I believe you got a request from Jo Ann over the weekend to execute a waiver letter on behalf of CalPERS. Since you received that letter, I have also received an offer from Winston & Strawn. Winston has revised the requested waiver letter so that it is now addressed directly to CalPERS and also covers me. After talking this through with Sean, we thought it best if you could forward the letter to CalPERS for their consideration.

Please let me know if you have any questions. If you don't get me in the office, please try my cell (704) 910-7701.

I appreciate your help with this.

Thanks,
Felton

K&L GATES

Felton E. Parrish
K&L Gates LLP
214 N. Tryon Street, 47th Floor
Charlotte, NC 28202
Phone: 704.331.7465
Fax: 704.353.3165
Email: felton.parrish@klgates.com

WINSTON
& STRAWN
LLP

100 North Tryon Street
Charlotte, NC 28202
T: +1 (704) 350-7700
F: +1 (704) 350-7800
www.winston.com

T. THOMAS COTTINGHAM, III
704-350-7745
tcottingham@winston.com

April 22, 2013

VIA EMAIL

Peter Mixon
General Counsel
CalPERS
Lincoln Plaza North
400 Q Street
Sacramento, CA 95811
Peter_Mixon@CalPERS.CA.GOV

BEIJING
CHARLOTTE
CHICAGO
GENEVA
HONG KONG
HOUSTON
LONDON
LOS ANGELES
MOSCOW
NEW YORK
NEWARK
PARIS
SAN FRANCISCO
SHANGHAI
WASHINGTON, D.C.

Re: Employment of Jo Ann Brighton and Felton Parrish

Dear Peter:

As you know, Winston & Strawn LLP has offered Jo Ann Brighton and Felton Parrish positions as Partners in our Charlotte office, subject to clearing conflicts. While employed by K&L Gates, we understand that Ms. Brighton and Mr. Parrish assisted in K&L Gates's representation of CalPERS in connection with the San Bernadino and Stockton Bankruptcies (the "CalPERS Matters"). Winston & Strawn LLP currently represents The National Public Finance Guarantee Corporation ("NPFGC") in one or more of the CalPERS Matters.

Therefore, we must assure our client, NPFGC, that Winston & Strawn LLP's employment of Ms. Brighton and Mr. Parrish will not jeopardize our ability to represent NPGGC in the CalPERS Matters. Prior to Ms. Brighton's and Mr. Parrish's employment, Winston & Strawn LLP will erect an ethical screen prohibiting them from participating in our representation of NPFGC in the CalPERS Matters and from discussing the CalPERS Matters with any Winston & Strawn LLP attorneys or staff. Ms. Brighton and Mr. Parrish will not have access to any documents relating to our representation of NPFGC in the CalPERS Matters.

We ask CalPERS to confirm that CalPERS will not seek to disqualify Winston & Strawn LLP from representing NPFGC in the CalPERS Matters due to Ms. Brighton's and Mr. Parrish's prior participation in the CalPERS Matters at K&L Gates, provided that Winston & Strawn LLP complies with all of the screening representations in this letter.

WINSTON
& STRAWN
LLP

CalPERS
April 22, 2013
Page 2

Respectfully submitted,



T. Thomas Cottingham

CONFIRMED this ___ day of April, 2013

CalPERS

By: _____
Its: _____

K&L GATES

K&L GATES LLP
925 FOURTH AVENUE
SUITE 2900
SEATTLE, WA 98104-1158
T +1.206.823.7580 F +1.206.823.7022 klgates.com

April 24, 2013

Michael J. Gearin
D (206) 370-6666
F (206) 370-6067
michael.gearin@klgates.com

VIA EMAIL

Mr. T. Thomas Cottingham
Winston & Strawn LLP
100 North Tyron Street
Charlotte, NC 28202

Re: Employment of Jo Ann Brighton and Felton Parrish

Dear Mr. Cottingham:

This is to respond to your letter of April 22, 2013 addressed to Mr. Peter Mixon of CalPERS. As you know, we represent CalPERS in the pending chapter 9 bankruptcy cases of the City of Stockton and the City of San Bernardino (the "Chapter 9 Cases"). CalPERS asked us to respond to your request. Please direct future correspondence regarding these issues to me.

You request a commitment from CalPERS that it will not seek to disqualify Winston & Strawn from representing National Public Finance Guarantee Corporation ("NPFGC") in the Chapter 9 Cases notwithstanding Winston & Strawn's intention to offer positions as partners to two K&L Gates lawyers who have represented CalPERS in the Chapter 9 Cases. In particular, Winston has expressed an intention to offer positions to Ms. JoAnn Brighton and Mr. Felton Parrish, both of whom were bankruptcy partners in K&L Gates' Charlotte, North Carolina offices and both of whom worked on the Chapter 9 Cases representing CalPERS. To different degrees, both Mr. Parrish and Ms. Brighton hold client confidences of CalPERS which, if disclosed even inadvertently, could be harmful to CalPERS in the matters presently being litigated in the Chapter 9 Cases.

CalPERS has carefully considered the degree to which each of the former K&L Gates lawyers holds client confidential information in making its decisions. Ms. Brighton has had a less direct role in the representation of CalPERS than Mr. Parrish. She has represented that she does not have access to client confidences given her limited role in the CalPERS representation. Mr. Parrish, however has been directly and intimately involved in the formulation of CalPERS approach in the cases as well as the drafting of multiple important submissions to the courts. Accordingly, CalPERS will confirm that it will not seek to disqualify Winston & Strawn from representing parties in the Chapter 9 Cases if Ms. Brighton joins the Winston firm, conditioned upon the following:

Mr. T. Thomas Cottingham
April 24, 2013
Page 2

- Ms. Brighton will confirm in writing her commitment to scrupulously protect client confidences of CalPERS including without limitation those relating to representation of CalPERS in the Chapter 9 Cases
- Winston & Strawn will erect an ethical screen prohibiting Ms. Brighton from access to any files relating to representations of parties in the Chapter 9 Cases and prohibiting Ms. Brighton from the representation of any party in the Chapter 9 Cases
- Ms. Brighton will not discuss the Chapter 9 Cases or the contested issues in those cases with any attorney, representative, representative employee, or client of Winston & Strawn. No Winston & Strawn attorney, representative or employee representing a bond insurer, bondholder or other party in interest in a municipal bankruptcy case shall have access to files of Ms. Brighton relating to municipal bankruptcy or public pension matters
- Ms. Brighton will not represent NPFGC, any other bond insurer, bondholder or other party in interest in any municipal bankruptcy case in which public pensions or the matters in contest in the Chapter 9 Cases are at issue

After considering the circumstances, CalPERS has concluded that it is not possible to implement adequate protective measures to safeguard confidences of CalPERS known to Mr. Parrish. Mr. Parrish has had access to CalPERS most private communications and work product in the highly important and public litigation between NPFGC and CalPERS. CalPERS objects to Winston & Strawn's intentional effort to recruit an attorney holding such a degree of private confidences during ongoing litigation in which that lawyer has represented CalPERS. CalPERS affords notice that it will move the courts to disqualify your firm if Mr. Parrish becomes associated Winston & Strawn.

Very truly yours,

K&L GATES LLP



By
Michael J. Gearin

MJG:bg

cc: Client

K:\2037631\00194\20892_MJG\20892L24PE

WINSTON & STRAWN LLP

BEIJING
CHARLOTTE
CHICAGO
GENEVA
HONG KONG
HOUSTON
LONDON
LOS ANGELES

35 WEST WACKER DRIVE
CHICAGO, ILLINOIS 60601

+1 (312) 558-5600

FACSIMILE +1 (312) 558-5700

www.winston.com

MOSCOW
NEW YORK
NEWARK
PARIS
SAN FRANCISCO
SHANGHAI
WASHINGTON, D.C.

Lawrence R. Desideri
(312) 558-5960
ldesideri@winston.com

April 29, 2013

Michael J. Gearin
K&L Gates
925 Fourth Avenue
Suite 2900
Seattle, WA 98104-1158

Dear Mr. Gearin:

I write in response to your letter to Tom Cottingham, dated April 24, 2013. In that letter, you make certain assertions regarding JoAnn Brighton and Felton Parish. Because there appears to be some misunderstanding as to the underlying facts, I believe it is important to set forth those facts.

First, we understand from Mr. Parrish that his work on the Stockton and San Bernardino bankruptcy cases ("Chapter 9 Cases") was not as extensive as you suggest. Mr. Parrish never appeared in court in any of those cases, never filed an appearance, never filed a pro hac vice motion and was never present in court when any activity related to those cases occurred. Mr. Parrish, moreover, was never present at any deposition in the Cases and never interviewed a witness in any of the Cases. Mr. Parrish's name never appeared on any pleading in any of the Cases. He never met the client, nor was Mr. Parrish ever a part of any discussion with the client regarding high-level strategy in the Cases. Finally, Mr. Parrish worked only on the Cases from the Charlotte, North Carolina office, never once being present at any proceeding or client meeting. These same facts are true with respect to Ms. Brighton.

Further, Mr. Parrish has no documents or files of any kind related to the Cases. He has no paper files or documents and he has no electronic files or documents of any kind. He took no paper or electronic files regarding the Chapter 9 Cases with him when he left K&L Gates and has none today. He has no ability to access any such files or documents. He simply has nothing in his possession, custody or control from any of the Cases. The same is true of Ms. Brighton.

WINSTON & STRAWN LLP

Michael J. Gearin

April 29, 2013

Page 2

Prior to Ms. Brighton and Mr. Felton joining Winston & Strawn LLP (“Winston”), the firm erected an ethical screen prohibiting either from having any access to any files relating in any way to the Chapter 9 Cases. The screen also prohibited both attorneys from discussing the Cases with anyone at Winston. Winston lawyers were likewise barred from discussing the Cases with Mr. Parrish or Ms. Brighton. All Winston attorneys were alerted of these restrictions and all were instructed to follow them. There is no reason to believe that the attorneys involved have done, or will do, anything other than abide by their obligation to follow those instructions.

It is also important to note that Mr. Parrish and Ms. Brighton are working in Winston’s Charlotte, North Carolina office. No Winston attorney in the Charlotte office has ever worked on the Chapter 9 Cases. The only Winston attorneys who have worked on the Chapter 9 cases are in offices hundreds of miles from Charlotte. Additionally, there are no papers or files related to the Chapter 9 Cases that are stored in the Charlotte office. These facts make any inadvertent sharing of information even more remote.

Moreover, we understand from Ms. Brighton that she met with you on April 21, 2013 in Washington DC. She informed you that she was joining Winston and discussed the fact that a screen had been put in place to avoid any conflict or information issues regarding the Chapter 9 Cases. Your conversation with her clearly indicated that you did not think there was any problem. In fact, you specifically told her “We would never move to disqualify Winston. That’s not how we roll.”

In light of the screening procedures Winston & Strawn implemented for Ms. Brighton and Mr. Parrish, and, *inter alia*, the other facts recited above, there is no basis for disqualifying Winston from the pending Chapter 9 bankruptcy cases. When a firm implements a timely ethical screen, as Winston has done, and where there is evidence that the ethical screening will effectively prevent the sharing of confidences in a particular case, there is no disqualification. *Kirk v. First Am. Title Ins. Co.*, 183 Cal. App. 4th 776, 801 (Cal. App. 2d Dist. 2010). California courts have accepted and encouraged the use of ethical screens based on the “changing realities in the practice of law,” which not only “undermine the rationale for an automatic rule of vicarious disqualification,” but “support[] the recognition of ethical walls in the proper cases.” *Id.*

Similarly, where a firm shows that it took “appropriate precautions in erecting an ethical wall to ensure that no information has been shared”, and that the attorney in question “has not had and will not have any involvement with the litigation, or any communication with other attorneys or employees concerning the litigation” the court should deny a motion to disqualify. *Openwave Sys., Inc. v. Myriad France S.A.S.*, 2011 WL 1225978 (N.D. Cal. 2011) (emphasis added). In short, it is clear under recent case law that disqualification would be inappropriate here.

Last, we also need to respond to your specious insinuation that Winston “intentionally” recruited Mr. Parrish to obtain confidential information in the Chapter 9 Cases. I am surprised and disappointed that you would make such an assertion about not only us, but a recent partner in your own Firm. In any event, we can assure you that the assertion is absolutely baseless.

WINSTON & STRAWN LLP

Michael J. Gearin

April 29, 2013

Page 3

We have acted at all times in good faith to avoid any sharing of information of any kind and to avoid any imputation. After again reviewing the facts and applicable law, we have concluded that there is no basis for disqualification here. We hope that your client will reach the same conclusion, thereby avoiding time-consuming, costly, and unnecessary motion practice for both parties. If you would like to discuss this matter further, please contact me.

Very Truly Yours,

A handwritten signature in black ink, appearing to read "Law R. Desideri", written in a cursive style.

Lawrence R. Desideri

LRD

cc: James R. Segerdahl

From: Parrish, Felton [Felton.Parrish@klgates.com]
Sent: Tuesday, April 23, 2013 9:13 AM
To: 'Henry, Megan C.'
Subject: RE: Re: Re:

Thanks. I've been told that I should be taken off the KLG system by 2 p.m. I'll definitely be over well before 3.

Felton E. Parrish
K&L Gates LLP
214 N. Tryon Street, 47th Floor
Charlotte, NC 28202
Phone: 704.331.7465
Fax: 704.353.3165
Email: felton.parrish@klgates.com

-----Original Message-----

From: Henry, Megan C. [mailto:MHenry@winston.com]
Sent: Tuesday, April 23, 2013 11:57 AM
To: Parrish, Felton
Subject: RE: Re: Re:

Great, thanks Felton. We are ready for you. Since you are still in the K&L system I need to wait to add you to Winston's system, so there may be some delay getting your email up and ready, but we will process as quickly as possible. We have a 3:00 pm call set up for you and Jo Ann to speak with our Conflicts Partner about the process of opening new matters.

Thanks and see you soon.

Megan C. Henry
Office Administrator
Winston & Strawn LLP
100 North Tryon Street
Charlotte, NC 28202-1078
D: +1 (704) 350-7798
F: +1 (704) 350-7800
<http://www.winston.com>
<http://twitter.com/winstonlaw>

-----Original Message-----

From: Parrish, Felton [mailto:Felton.Parrish@klgates.com]
Sent: Tuesday, April 23, 2013 11:06 AM
To: Henry, Megan C.
Subject: RE: Re: Re:

My final "withdrawal" meeting has been set for noon. I'll head over when that's over. Hopefully, will be by 1 but may be a tad later. I'll call you when everything is wrapped up. Thanks.

Felton E. Parrish
K&L Gates LLP
214 N. Tryon Street, 47th Floor
Charlotte, NC 28202
Phone: 704.331.7465
Fax: 704.353.3165
Email: felton.parrish@klgates.com

-----Original Message-----

From: Parrish, Felton
Sent: Tuesday, April 23, 2013 8:06 AM
To: Henry, Megan C.
Subject: Re: Re: Re:

Got it. Should happen this morning.

Felton E. Parrish
K&L GATES LLP
(704) 331-7465 (office)
(704) 910-7701 (mobile)

On Apr 23, 2013, at 8:07 AM, "Henry, Megan C." <MHenry@winston.com> wrote:

> Felton, our Conflicts folks will want me to make sure you are officially off the KLG system (bio off the website) etc. before we can officially add you to our system and activate your email. That may have already happened but just wanted to let you know. Please let me know if you need anything this morning!

>
> On Apr 23, 2013, at 7:34 AM, "Parrish, Felton" <Felton.Parrish@klgates.com> wrote:

>> If it works for you I'd love for today to be my first official day. I'll head over as soon as I can get this admin stuff wrapped up. Thanks.

>>

>> Felton E. Parrish
>> K&L GATES LLP
>> (704) 331-7465 (office)
>> (704) 910-7701 (mobile)

>> On Apr 23, 2013, at 7:09 AM, "Henry, Megan C." <MHenry@winston.com> wrote:

>>> Felton, just to clarify, will today be your first official day at Winston or would you prefer tomorrow? Either way is fine and your office is ready. Many thanks!

>>> On Apr 23, 2013, at 6:32 AM, "Parrish, Felton" <Felton.Parrish@klgates.com> wrote:

>>>> Megan,

>>>>

>>>> I understand from Jo Ann that you're sending folks over to pick up boxes from her office today. Just wanted to let you know that I'll have a few boxes ready as well. I've got some admin stuff to take care of this morning and will then head over. Hope to be there no later than 1. Thanks.

>>>>

>>>>

>>>> Felton E. Parrish

>>>> K&L GATES LLP

>>>> (704) 331-7465 (office)

>>>> (704) 910-7701 (mobile)

>>>>

>>>>

>>>> This electronic message contains information from the law firm of K&L Gates LLP. The contents may be privileged and confidential and are intended for the use of the intended addressee(s) only. If you are not an intended addressee, note that any disclosure, copying, distribution, or use of the contents of this message is prohibited. If you have received this e-mail in error, please contact me at Felton.Parrish@klgates.com.

>>>>

>>>>

>>> The contents of this message may be privileged and confidential. Therefore, if this message has been received in error, please delete it without reading it. Your receipt of this message is not intended to waive any applicable privilege. Please do not disseminate this message without the permission of the author.

***** Any tax advice contained in this email was not intended to be used, and cannot be used, by you (or any other taxpayer) to avoid penalties under the Internal Revenue Code of 1986, as amended.

>>>

> The contents of this message may be privileged and confidential. Therefore, if this message has been received in error, please delete it without reading it. Your receipt of this message is not intended to waive any applicable privilege. Please do not disseminate this message without the permission of the author.

***** Any tax advice contained in this email was not intended to be used, and cannot be used, by you (or any other taxpayer) to avoid penalties under the Internal Revenue Code of 1986, as amended.

>

The contents of this message may be privileged and confidential. Therefore, if this message has been received in error, please delete it without reading it. Your receipt of this message is not intended to waive any applicable privilege. Please do not disseminate this message without the permission of the author.

***** Any tax advice contained in this email was not intended to be used, and cannot be used, by you (or any other taxpayer) to avoid penalties under the Internal Revenue Code of 1986, as amended.

From: Parrish, Felton [Felton.Parrish@klgates.com]
Sent: Monday, April 22, 2013 1:54 PM
To: 'Henry, Megan C.'; 'Felton Parrish (feltonparrish@hotmail.com)'
Cc: 'Cottingham, Tom'; 'joannbrighton@gmail.com'
Subject: RE: updated CalPERS letter

Megan,

This should be addressed to Peter H. Mixon, General Counsel.

His email address is Peter.Mixon@CalPERS.CA.GOV

If you'd like me to send the final executed letter to CalPERS, just let me know.

Felton E. Parrish
K&L Gates LLP
214 N. Tryon Street, 47th Floor
Charlotte, NC 28202
Phone: 704.331.7465
Fax: 704.353.3165
Email: felton.parrish@klgates.com

From: Henry, Megan C. [<mailto:MHenry@winston.com>]
Sent: Monday, April 22, 2013 4:40 PM
To: Felton Parrish (feltonparrish@hotmail.com); Parrish, Felton
Cc: Cottingham, Tom; joannbrighton@gmail.com
Subject: updated CalPERS letter

Felton,

I have attached the updated letter. Please let me know whom at CalPERS this should be addressed to. I will also get Tom to sign the letter once we have the recipient added. Many thanks.

Megan C. Henry

Office Administrator

Winston & Strawn LLP
100 North Tryon Street
Charlotte, NC 28202-1078

D: +1 (704) 350-7798

F: +1 (704) 350-7800

Bio <<http://www.winston.com/index.cfm?contentID=24&itemID=14718>> | VCard
<<http://www.winston.com/sitefiles/wsvcard/14718.vcf>> | Email <<mailto:mhenry@winston.com>> |
www.winston.com <<http://www.winston.com>>

Follow us on Twitter twitter.com/winstonlaw <<http://twitter.com/winstonlaw>>

Description: Description: Winston & Strawn LLP

The contents of this message may be privileged and confidential. Therefore, if this message has been received in error, please delete it without reading it. Your receipt of this message is not intended to waive any applicable privilege. Please do not disseminate this message without the permission of the author.

***** Any tax advice contained in this email was not intended to be used, and cannot be used, by you (or any other taxpayer) to avoid penalties under the Internal Revenue Code of 1986, as amended.



100 North Tryon Street
Charlotte, NC 28202
T: +1 (704) 350-7700
F: +1 (704) 350-7800
www.winston.com

T. THOMAS COTTINGHAM, III
704-350-7745
tcottingham@winston.com

April 22, 2013

CalPERS
Lincoln Plaza North
400 Q Street
Sacramento, CA 95811

Re: Employment of Jo Ann Brighton and Felton Parrish

To Whom It May Concern:

As you know, Winston & Strawn LLP has offered Jo Ann Brighton and Felton Parrish positions as Partners in our Charlotte office, subject to clearing conflicts. While employed by K&L Gates, we understand that Ms. Brighton and Mr. Parrish assisted in K&L Gates's representation of CalPERS in connection with the San Bernadino and Stockton Bankruptcies (the "CalPERS Matters"). Winston & Strawn LLP currently represents The National Public Finance Guarantee Corporation ("NPFGC") in one or more of the CalPERS Matters.

Therefore, we must assure our client, NPFGC, that Winston & Strawn LLP's employment of Ms. Brighton and Mr. Parrish will not jeopardize our ability to represent NPGGC in the CalPERS Matters. Prior to Ms. Brighton's and Mr. Parrish's employment, Winston & Strawn LLP will erect an ethical screen prohibiting them from participating in our representation of NPFGC in the CalPERS Matters and from discussing the CalPERS Matters with any Winston & Strawn LLP attorneys or staff. Ms. Brighton and Mr. Parrish will not have access to any documents relating to our representation of NPFGC in the CalPERS Matters.

We ask CalPERS to confirm that CalPERS will not seek to disqualify Winston & Strawn LLP from representing NPFGC in the CalPERS Matters due to Ms. Brighton's and Mr. Parrish's prior participation in the CalPERS Matters at K&L Gates, provided that Winston & Strawn LLP complies with all of the screening representations in this letter.

BEIJING
CHARLOTTE
CHICAGO
GENEVA
HONG KONG
HOUSTON
LONDON
LOS ANGELES
MOSCOW
NEW YORK
NEWARK
PARIS
SAN FRANCISCO
SHANGHAI
WASHINGTON, D.C.

WINSTON
& STRAWN
LLP

CalPERS
April 22, 2013
Page 2

Respectfully submitted,

T. Thomas Cottingham

CONFIRMED this ____ day of April, 2013

CalPERS

By: _____

Its: _____

[REDACTED]

From: Parrish, Felton
Sent: Monday, October 08, 2012 8:02 PM
To: 'feltonparrish@hotmail.com'
Subject: FW: Stockton Decision re: retiree benefits
Attachments: Westlaw_Document_09_41_21.doc



Felton E. Parrish
K&L Gates LLP
214 N. Tryon Street, 47th Floor
Charlotte, NC 28202
Phone: 704.331.7465
Fax: 704.353.3165
Email: felton.parrish@kigates.com

From: westlaw@westlaw.com [mailto:westlaw@westlaw.com]
Sent: Friday, September 28, 2012 10:42 AM
To: Parrish, Felton
Subject: Stockton Decision re: retiree benefits

Westlaw Delivery Summary Report for PARRISH,FELTON E

Date/Time of Request:	Friday, September 28, 2012 10:41 Eastern
Client Identifier:	2037631.00195/28050
Database:	BKRFIND
Citation Text:	--- B.R. ---
Lines:	1384
Documents:	1
Images:	0
Recipient(s):	felton.parrish@kigates.com

The material accompanying this summary is subject to copyright. Usage is governed by contract with Thomson Reuters, West and their affiliates.

[REDACTED]

From: Felton Parrish [feltonparrish@hotmail.com]
Sent: Thursday, October 18, 2012 8:19 PM
To: Parrish, Felton
Subject: good discussion by Lockyer

[REDACTED]

[REDACTED]

From: Parrish, Felton
Sent: Sunday, December 16, 2012 5:00 PM
To: 'feltonparrish@hotmail.com'
Subject: FW: Calpers - SB - Stay Relief Reply-3145330V3.DOC
Attachments: Calpers - SB - Stay Relief Reply-3145330V3.DOC



Felton E. Parrish
K&L Gates LLP
214 N. Tryon Street, 47th Floor
Charlotte, NC 28202
Phone: 704.331.7485
Fax: 704.353.3165
Email: felton.parrish@kllgates.com

From: Ryan, Michael
Sent: Sunday, December 16, 2012 5:43 PM
To: Parrish, Felton
Cc: Lubic, Michael B.; Gearin, Mike; Bissett, Brett D.; McAloon, Laura D.; Diaz, Karrie Johnson
Subject: Calpers - SB - Stay Relief Reply-3145330V3.DOC

[REDACTED]

[REDACTED]

From: Parrish, Felton
Sent: Sunday, December 16, 2012 5:00 PM
To: 'feltonparrish@hotmail.com'
Subject: FW: Calpers - SB - Stay Relief Reply-3145330V3 (2).DOC (lubic comments to pages 1-9)
Attachments: Calpers - SB - Stay Relief Reply-3145330V3 (2).DOC



Felton E. Parrish
K&L Gates LLP
214 N. Tryon Street, 47th Floor
Charlotte, NC 28202
Phone: 704.331.7465
Fax: 704.353.3165
Email: felton.parrish@klgates.com

From: Lubic, Michael B.
Sent: Sunday, December 16, 2012 5:39 PM
To: Parrish, Felton; Ryan, Michael
Cc: Gearin, Mike; Diaz, Karle Johnson
Subject: Calpers - SB - Stay Relief Reply-3145330V3 (2).DOC (lubic comments to pages 1-9)

[Redacted]

From: Parrish, Felton
Sent: Sunday, December 16, 2012 8:22 PM
Subject: RE: SB – Stay Relief Reply
Attachments: Calpers - SB - [Redacted] Reply-3145330V4.DOC; Change-Pro Redline - Calpers - SB [Redacted] Reply-3145330V1 and Calpers - SB - [Redacted] Reply-3145330V4.doc

PLEASE NOTE: You were BCC'd

To: 'Mixon, Peter'
Cc: Lubic, Michael B.; Ryan, Michael; Gearin, Mike; Diaz, Karrie Johnson; Tuliano, Ralph; Crisafulli, Rob [rcrisafulli@mesirovfinancial.com]

Peter,

[Redacted]

Thanks,
Felton

Felton E. Parrish
K&L Gates LLP
214 N. Tryon Street, 47th Floor
Charlotte, NC 28202
Phone: 704.331.7485
Fax: 704.353.3185
Email: felton.parrish@klgates.com

From: Gearin, Mike
Sent: Friday, December 14, 2012 6:14 PM
To: 'Mixon, Peter'
Cc: Lubic, Michael B.; Ryan, Michael; Parrish, Felton
Subject: FW: SB – Stay Relief Reply

Peter: [Redacted]

From: Parrish, Felton
Sent: Friday, December 14, 2012 2:04 PM
To: Lubic, Michael B.; Gearin, Mike
Cc: Kril, John P.; Ryan, Michael; Lebiada, Nathan P.J.; Diaz, Karrie Johnson
Subject: SB – Stay Relief Reply

[Redacted]

5/15/2013

Exhibit 8
Page 34

<< File: CH-#3145330-v1-Calpers_-_SB_-[REDACTED]Reply.DOC >>

Felton E. Parrish
K&L Gates LLP
214 N. Tryon Street, 47th Floor
Charlotte, NC 28202
Phone: 704.331.7465
Fax: 704.353.3165
Email: felton.parrish@kigates.com

5/15/2013

Exhibit 8
Page 35

K&L Gates LLP
Hearst Tower
214 North Tryon Street
Charlotte, NC 28202
Phone: (704) 331-7470
Fax: (704) 353-3170
E-mail: wil.petraglia@kigates.com
www.kigates.com

5/15/2013

Exhibit 8
Page 37

From: Parrish, Felton
Sent: Sunday, January 13, 2013 6:04 PM
To: 'feltonparrish@hotmail.com'
Subject: FW: CalPERS [REDACTED] in CH 9 Insert
Attachments: CH-#3149556-v4-CalPERS_- [REDACTED].Insert.DOC

K&L Gates LLP

Felton E. Parrish
K&L Gates LLP
214 N. Tryon Street, 47th Floor
Charlotte, NC 28202
Phone: 704.331.7465
Fax: 704.353.3165
Email: felton.parrish@klgates.com

From: Lebloda, Nathan P.J.
Sent: Thursday, January 10, 2013 8:21 PM
To: Parrish, Felton
Subject: CalPERS Admin Claim in CH 9 Insert



CH-#314955
CalPERS_-_Ad

Felton,

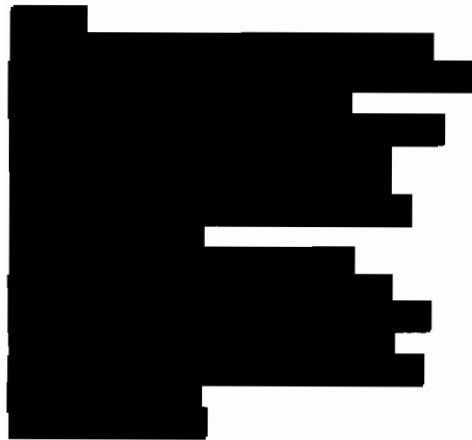
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



Nathan Lebioda
K&L Gates LLP
Hearst Tower, 47th floor
214 North Tryon Street
Charlotte, NC 28202
Phone: (704) 331-7402
Fax: (704) 353-3102

*Admitted in New York only; not admitted in North Carolina

[REDACTED]

From: Parrish, Felton
Sent: Sunday, January 13, 2013 5:05 PM
To: 'feltonparrish@hotmail.com'
Subject: CalPERS - SB - [REDACTED] Reply (FEP Comments)
Attachments: CH-#3145849-v2-CalPERS_-_SB_[REDACTED]_Reply_(FEP_Comments).DOC

From: Parrish, Felton
Sent: Friday, January 18, 2013 3:47 PM
To: 'feltonparrish@hotmail.com'
Subject: CH-#3149963-v3-CalPERS-[REDACTED] of [REDACTED] Claims.DOC

Attachments: CH-#3149963-v3-CalPERS-[REDACTED] of [REDACTED] Claims.DOC



CH-#314996
CalPERS-_Adr

WINSTON
& STRAWN
LLP

100 North Tryon Street
Charlotte, NC 28202
T: +1 (704) 350-7700
F: +1 (704) 350-7800
www.winston.com

T. THOMAS COTTINGHAM, III
704-350-7745
tcottingham@winston.com

May 13, 2013

VIA EMAIL

Michael J. Gearin
K&L Gates
925 Fourth Avenue
Suite 2900
Seattle, WA 98104-1158

Re: *Employment of William Petraglia and Nathan Lebioda*

Dear Mr. Gearin:

I am writing to inform you that Winston & Strawn LLP has offered positions to William Petraglia and Nathan Lebioda as Associates in our Charlotte office (the "Associates"), and anticipate them joining our Firm in the near future. While employed by K&L Gates, we understand that the Associates assisted K&L Gates in its representation of CalPERS in connection with the San Bernardino and Stockton Bankruptcies (the "CalPERS Matters"). As you know, Winston & Strawn LLP currently represents The National Public Finance Guarantee Corporation ("NPFGC") in the CalPERS matters. As you requested in your letter dated April 24, 2013, we are directing our correspondence to you rather than CalPERS directly.

Please be advised that, prior to the Associates' employment, Winston & Strawn LLP will erect an ethical screen prohibiting them from participating in our representation of NPFGC in the CalPERS Matters and from discussing the CalPERS Matters with any Winston & Strawn LLP attorney or staff member. The Associates will not have access to any documents relating to our representation of NPFGC in the CalPERS Matters.

Further, we assure you that the Associates will not be permitted to bring any documents or files of any kind related to the CalPERS Matters to Winston & Strawn LLP. We carefully monitor both incoming paper and electronic documents with our lateral hires.

We confirm that these screening procedures are in compliance with the ABA Model Rule of Professional Conduct Rule 1.10 and that we will promptly respond to any written inquiries or objections by CalPERS to these screening procedures. We

BEIJING
CHARLOTTE
CHICAGO
GENEVA
HONG KONG
HOUSTON
LONDON
LOS ANGELES
MOSCOW
NEW YORK
NEWARK
PARIS
SAN FRANCISCO
SHANGHAI
WASHINGTON, D.C.

WINSTON
& STRAWN
LLP

Mr. Michael J. Gearin
May 13, 2013
Page 2

will also provide CalPERS with a certificate of compliance with these Rules at regular intervals upon CalPERS' written request.

Please let me know if you would like to discuss our screening procedures further. We also confirm that we continue to maintain the same screening procedures for Ms. Brighton and Mr. Parrish.

Very truly yours,



T. Thomas Cottingham

TTC/ak

K&L GATES

K&L GATES LLP
925 FOURTH AVENUE
SUITE 2900
SEATTLE, WA 98104-1158
T +1.206.623.7580 F +1.206.623.7022 klgates.com

May 14, 2013

Michael J. Gearin
D (206) 370-6666
F (206) 370-6067
michael.gearin@klgates.com

Via E-Mail and U.S. Mail

Mr. T. Thomas Cottingham
Winston & Strawn LLP
100 North Tryon Street
Charlotte, NC 28202
tcottingham@winston.com

Re: Employment of Felton Parrish, William Petraglia, and Nathan Lebioda

Dear Mr. Cottingham:

As you know, this firm represents CalPERS with regard to the City of San Bernardino and City of Stockton matters.

This responds to your letter of May 13, 2013 addressed to me regarding the employment of William Petraglia and Nathan Lebioda. I write to you to convey our client's position regarding Winston & Strawn LLP's hiring of these attorneys and others who have previously provided services to CalPERS in connection with the Stockton and San Bernardino Bankruptcies (the "Chapter 9 Cases").

As an initial matter, we note that the content of your May 13 letter is considerably different from the content of your April 22, 2013 letter regarding the employment of Jo Ann Brighton and Felton Parrish. You are no longer asking for CalPERS' consent. You are instead merely indicating that a screen will simply be established. Please be advised that our client's position is that no ethical screen, whether or not in compliance with ABA Model Rule of Professional Conduct 1.10, is adequate to resolve Winston's conflict of interest with regard to the Chapter 9 Cases. Messrs. Parrish, Petraglia, and Lebioda have performed substantial services on behalf of CalPERS in the Chapter 9 Cases and, under California law, their knowledge of CalPERS confidences is imputed to every lawyer at Winston upon their hiring:

[W]hen a tainted attorney moves from one private law firm to another, the law gives rise to a rebuttable presumption of imputed knowledge to the law firm, which may be rebutted by evidence of effective ethical screening. However, if the tainted attorney was actually involved in the representation of the first

Exhibit 10
Page 45

klgates.com

Mr. T. Thomas Cottingham
May 14, 2013
Page 2

client, and switches sides in the same case, **no amount of screening will be sufficient**, and the presumption of imputed knowledge is conclusive.

Kirk v. First American Title Ins. Co., 183 Cal. App. 4th 776, 814 (2010) (emphasis added).

Moreover, Messrs. Parrish, Petraglia, and Lebioda owe CalPERS a fiduciary duty of loyalty that they have now brought with them to Winston.

[A]n attorney is forbidden to do either of two things after severing the relationship with a former client. **The attorney may not do anything which will injuriously affect the former client in any matter in which the attorney formerly represented the client** nor may the attorney at any time use the former client knowledge or information acquired by virtue of the previous relationship.

Oasis West Realty LLC v. Goldman, 51 Cal. 4th 811, 821 (2011) (emphasis added).

Winston, of course, has been the principal litigation counsel for National Public Finance Guarantee Corporation (“National”) in the Chapter 9 Cases. National vigorously disputes the position of CalPERS in these cases. National’s interests in the Chapter 9 Cases are directly adverse to CalPERS interests and remain in contention in the cases.

Messrs. Parrish, Petraglia, and Lebioda did extensive research on behalf of CalPERS on a wide variety of issues in the Chapter 9 Cases. They had access to confidential client information and participated in the development of litigation strategies of CalPERS. And they were part of a team that advised CalPERS on legal analysis, briefing, tactics, and strategy in the Chapter 9 Cases, particularly so with regard to Mr. Parrish, who was directly involved in delivering such advice to representatives of CalPERS. Winston, in its capacity as litigation counsel for National in the same cases, has taken these attorneys into their firm without the consent of CalPERS. Because a law firm is of course the sum of its attorneys, Winston has effectively “switched sides” in the Chapter 9 litigation: first representing CalPERS and now National. Winston will be in the position of arguing against the very work product developed for CalPERS by attorneys now in your firm’s employ. Accordingly, no ethical wall can eliminate this conflict of interest and Winston’s hiring of Messrs. Parrish, Petraglia, and Lebioda, breaches fiduciary obligations owed by those attorneys to CalPERS.

Winston is currently operating under an unwaivable conflict of interest with regard to its representation of National in the Chapter 9 Cases and its assumed and on-going fiduciary duty toward CalPERS. It is CalPERS’ position that, under California law, the only solution to this conflict is the mandatory and immediate withdrawal of Winston from any further representation of National in the Chapter 9 Cases.

Mr. T. Thomas Cottingham
May 14, 2013
Page 3

Our client cannot accept your statements that the lawyers will be ethically screened under ABA Model Rule 1.10. You appear to argue that ethical screening under the ABA rule will avoid the conflict of the firm. However, that ABA rule is not the law in California or even in the vast majority of other jurisdictions. Even the limited form of screening that is otherwise permitted to avoid disciplinary consequences under North Carolina's Rules of Professional Conduct does not apply here. North Carolina's Rule 8.5 (b)(1) specifically provides that in connection with a matter pending before a tribunal, the choice of law is governed by the jurisdiction in which the tribunal sits, and the rules to be applied will be the rules of that jurisdiction. In this instance, both bankruptcy courts in the Chapter 9 Cases sit in California. Thus, whether or not the lawyers in question were admitted *pro hac vice*, or made any appearance in the Chapter 9 Cases on behalf of CalPERS, because the matters are pending in federal bankruptcy courts in California, the law of disqualification and the laws governing the conduct of the lawyers will be those of the State of California.

Consequently, Winston will find no shelter in ABA Model Rule 1.10 as it does not apply, and the only California case to permit a court to consider screening in the non-government context, *Kirk v. First American*, cited above, explicitly prohibits screening in a side-switching case.

We also note that in your letter of April 22, you assured CalPERS that none of the lawyers from Winston would discuss the Chapter 9 Cases with Mr. Parrish. You indicated that the screen Winston "will erect" is one that would prohibit the lawyers "from discussing the CalPERS Matters with any Winston & Strawn LLP attorneys or staff." It appears to our client that you have already violated that purported screen. Mr. Desideri or someone acting on his behalf has obviously discussed the CalPERS matters with Mr. Parrish. Mr. Desideri provided a description of the things that Mr. Parrish did or did not do in his letter to me dated April 29, which he could not have done without discussing Mr. Parrish's activities and his role in the case.

Our client will not waive the duty of loyalty or the duty of confidentiality, and does not agree that your establishment of a screen for Mr. Parrish, Mr. Lebioda or Mr. Petraglia will be legally sufficient or resolve Winston's serious, inherited conflict of interest.

As for Ms. Brighton, we reiterate that consent will be provided by CalPERS only upon the terms outlined in my letter to you dated April 24, 2013. We note that you have not complied with those terms, and we must assume that you do not intend to do so, since nearly three (3)

Mr. T. Thomas Cottingham
May 14, 2013
Page 4

weeks have elapsed and no effort has been made to verify compliance. Please let us know immediately if you are going to accept the terms that were set forth as conditions to CalPERS consent to Ms. Brighton's employment.

Very truly yours,

K&L GATES LLP

A handwritten signature in black ink, appearing to read "Michael J. Gearin", with a long horizontal line extending to the right.

By

Michael J. Gearin

MJG:bg

cc: Client

K:\2037631\00194\20892_MJG\20892L24PL

WINSTON & STRAWN LLP

BEIJING
CHARLOTTE
CHICAGO
GENEVA
HONG KONG
HOUSTON
LONDON
LOS ANGELES

35 WEST WACKER DRIVE
CHICAGO, ILLINOIS 60601

+1 (312) 558-5600

FACSIMILE +1 (312) 558-5700

www.winston.com

MOSCOW
NEW YORK
NEWARK
PARIS
SAN FRANCISCO
SHANGHAI
WASHINGTON, D.C.

LAWRENCE R. DESIDERI
Partner
312/558-5960
ldesideri@winston.com

May 17, 2013

VIA ELECTRONIC MAIL

Mr. Michael J. Gearin
K & L Gates LLP
925 Fourth Avenue
Suite 2900
Seattle, WA 98104

Re: Winston & Strawn's Representation of Nat'l Pub. Finance Guarantee Corp.

Dear Mr. Gearin:

As you know, Winston & Strawn LLP represents National Public Finance Guarantee Corporation ("NPFGC") as one of the many creditors involved in the Chapter 9 bankruptcy cases filed by the City of San Bernardino and the City of Stockton (collectively, "Chapter 9 Cases"). We understand that your firm, K&L Gates LLP, represents California Public Employees' Retirement System ("CalPERS") as another creditor in these Chapter 9 Cases.

We have reviewed the arguments set forth in your response letter of May 14, 2013. Namely, we understand that you and/or your client believe that Winston & Strawn is "operating under an unwaivable conflict of interest with regard to its representation of [NPFGC] in the Chapter 9 Cases." The "unwaivable conflict of interest," as you call it, allegedly arises from certain K&L Gates attorneys joining our firm. In general terms, you state that these attorneys previously performed work for CalPERS while at K&L Gates. And, you argue that, by offering positions to these attorneys, "Winston has effectively 'switched sides in the Chapter 9 [Cases]: first representing CalPERS and now [NPFGC].'" We believe your arguments reflect a misreading of the facts and law.¹

The California cases under which the principle of automatic disqualification is premised involved attorneys who "switched sides" to a directly adverse party in the same litigation—*e.g.* the conflicted attorney switched from a firm representing the plaintiff to a firm representing the defendant (or vice versa). *See, e.g., Meza v. Muehlstein & Co.*, 176 Cal. App. 4th 969 (Cal. App. 2009); *Henriksen v. Great Am. Savings & Loan*, 11 Cal. App. 4th 109 (Cal. App. 1992). In assessing the scope of relevant case law, *Kirk v. First Am. Title Ins. Co.* noted that automatic

¹ This letter does not represent an exhaustive discussion of these issues and we specifically reserve the right to raise further points and arguments at the appropriate time.

WINSTON & STRAWN_{LLP}

May 17, 2013

Page 2

disqualification is “based on an understanding that in *the most extreme cases of direct conflict*, no amount of ethical screening can rebut the presumption of imputed knowledge.” 183 Cal. App. 4th 776, 800 n.20 (Cal. App. 2010) (emphasis added).

This, however, is not a case where attorneys who represented the plaintiff “switched sides” to represent a defendant (or vice-versa). Bankruptcy cases typically involve many creditors—indeed, sometimes hundreds—represented by different firms. The specific Chapter 9 cases you reference include many other creditors and interested parties and many other law firms. You have cited no authority for the proposition that an attorney moving from a firm that represents one creditor in a bankruptcy to a firm that represents another creditor is one of “the most extreme cases of direct conflict.”

In the actual circumstances present here, California law creates only a rebuttable presumption of shared information that is overcome “by evidence that ethical screening will effectively prevent the sharing of confidences in a particular case.” *Id.* at 801. As our previous correspondence made clear, Winston & Strawn has, in fact, implemented a timely ethical screen with respect to the K&L Gates attorneys joining Winston. Our screening procedures go well beyond what California courts consider “effective.” First, these attorneys are separated and isolated from the Chapter 9 Cases. Second, attorneys at Winston & Strawn are expressly prohibited from discussing with these attorneys any confidential information relating to the Chapter 9 Cases. Third, we have established rules and procedures that prevent these attorneys from accessing confidential information and files relating to the Chapter 9 Cases. Fourth, none of these attorneys have “supervisory powers” over any attorney involved in the Chapter 9 Cases. And fifth, we notified CalPERS that these attorneys were joining Winston & Strawn and that our firm would effectively screen them from the Chapter 9 Cases. *See Kirk*, 183 Cal. App. 4th at 810-13 (setting forth the “typical elements” of an ethical screen).

Your bald assertion that “[i]t appears to [your] client that [we] have already violated [our] purported screen” is incorrect. Our April 29th letter illustrated the efficacy of our firm’s screening procedures and generally highlighted the limited extent of Mr. Parrish’s work on the Chapter 9 Cases before he joined our firm. Indeed, these disclosures were similar in nature to your own generic descriptions of the work allegedly performed by Messrs. Parrish, Petraglia, and Lebioda while at K & L Gates. By no means do these general descriptions show or suggest the disclosure of confidential information—and in fact, no such information has been disclosed.

In summary, the relationship between CalPERS and NPFGC does not present a situation of “switching sides” or an “extreme case of direct conflict,” warranting automatic disqualification. Moreover, Winston & Strawn’s screening procedures “will effectively prevent the sharing of confidences” to overcome the rebuttable presumption of shared knowledge.

Moreover, we find your baseless suggestion that Winston & Strawn and/or these attorneys somehow breached a “fiduciary obligation” to be wholly inappropriate. The fiduciary duties of loyalty and confidentiality owed to a former client bars an attorney from injuring the “the former client in any matter in which [the attorney] formerly represented [the client]” and “from both disclosing or using the former client’s confidential information against the former

WINSTON & STRAWN^{LLP}

May 17, 2013

Page 3

client.” *Oasis West Realty, LLC v. Goldman*, 250 P.3d 1115, 1121-22 (Cal. 2011). An attorney does not breach these duties, however, unless there is evidence that the attorney *actually acted* injuriously towards the former client in the same matter or *actually disclosed* confidential information “to the detriment of his former client.” *See id.* at 1124-25. Here, the evidence shows that any duties owed to CalPERS as a former client will be maintained and protected –not only because Winston & Strawn implemented an effective screen, but also because our attorneys – as well as your own recent partners and associates – understand and appreciate their ethical obligations as members of the legal profession.

Finally, we are puzzled by your comments on your four “terms” concerning Ms. Brighton. We believe our earlier letter addressed these issues. In any event, for the avoidance of doubt, we will be more specific here. Ms. Brighton confirms her commitment to scrupulously protect client confidences of CalPERS including without limitation those relating to the representation of CalPERS in the Chapter 9 Cases. We confirm that Winston & Strawn LLP erected an ethical screen prohibiting Ms. Brighton from access to any files relating to representations of parties in the Chapter 9 Cases and prohibiting Ms. Brighton from the representation of any party in the Chapter 9 Cases. We also confirm that Ms. Brighton will not discuss the Chapter 9 Cases or the contested issues in those cases with any attorney, representative, representative employee or client of Winston & Strawn. Lastly, Ms. Brighton will not represent NPFGC in any matters and will not represent any other bond insurer, bondholder or other party in interest in any municipal bankruptcy case if such representation would create an ethical conflict of interest under the applicable rules of professional conduct, including but not limited to, positional or issue conflicts.

Sincerely,



Lawrence R. Desideri

[PAGE REDACTED]

[PAGE REDACTED]

[PAGE REDACTED]