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1 JAMES O. JOHNSTON (SBN 167330)
 JONES DAY
 2 555 South Flower Street, 50th Floor
 Los Angeles, CA 90071
 3 Telephone: (213) 489-3939
 Facsimile: (213) 243-2539
 4 jjohnston@jonesday.com

5 JOSHUA D. MORSE (SBN 211050)
 JONES DAY
 6 555 California Street, 26th Floor
 San Francisco, CA 94104
 7 Telephone: (415) 626-3939
 Facsimile: (415) 875-5700
 8 jmorse@jonesday.com

9 *Counsel for*
 10 *Franklin Advisers, Inc.*

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

<p>14 In re:</p> <p>15 CITY OF STOCKTON, CALIFORNIA,</p> <p>16 Debtor.</p>	<p>) Case No. 12-32118 (CMK)</p> <p>)</p> <p>) DC No: OHS-4</p> <p>)</p> <p>) Chapter 9</p> <p>)</p> <p>) JOINDER OF FRANKLIN ADVISERS, INC.,</p> <p>) TO LIMITED OBJECTION OF WELLS</p> <p>) FARGO BANK, NATIONAL ASSOCIATION</p> <p>) AS INDENTURE TRUSTEE TO</p> <p>) EMERGENCY MOTION FOR LEAVE TO</p> <p>) INTRODUCE EVIDENCE RELATING TO</p> <p>) NEUTRAL EVALUATION PROCESS UNDER</p> <p>) GOVERNMENT CODE SECTION 53760.3(q)</p> <p>)</p> <p>) Date: Friday, July 6, 2012</p> <p>) Time: 10:00 a.m.</p> <p>) Place: United States Courthouse,</p> <p>) Dept. A, Courtroom 28</p> <p>) 501 I Street</p> <p>) Sacramento, CA 95814</p>
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1 Franklin Advisers, Inc. ("Franklin"), hereby objects to the *Emergency Motion For Leave To*
2 *Introduce Evidence Relating To Neutral Evaluation Process Under Government Code*
3 *Section 53760.3(q)* [Docket No. 16 / OHS-4] (the "Motion") filed by the City of Stockton (the
4 "City") and joins and adopts the arguments made by Wells Fargo Bank, National Association, in its
5 role as indenture trustee (the "Indenture Trustee"), in its Limited Objection to the Motion filed
6 earlier today.

7 Franklin is the sole holder of the \$35,080,000 Stockton Public Financing Authority Lease
8 Revenue Bonds, 2009 Series A (Capital Improvement Projects) (the "2009 Bonds"), for which the
9 Indenture Trustee serves as indenture trustee. The 2009 Bonds are obligations of the City pursuant
10 to a Lease Agreement by which the City covenanted and agreed to make timely payments of rent in
11 amounts equal to all of the principal, interest, and other amounts due on the 2009 Bonds. The City
12 defaulted on those payments in February 2012 and remains in breach of its obligations under the
13 Lease Agreement.

14 The 2009 Bonds are the only uninsured bonds and notes that the City seeks to impair in this
15 proceeding. As a consequence, Franklin stands in a unique position as the only beneficial owner of
16 bonds that participated in the AB 506 Process and, apparently, the only bondholder whose rights and
17 remedies may be implicated by the City's proposed plan of adjustment. Franklin anticipates that it
18 will be an active participant in this case.

19 Franklin agrees with the Indenture Trustee that disclosure of all information regarding the
20 AB 506 Process would be beneficial and appropriate. Franklin further agrees that, for the reasons
21 stated in the Indenture Trustee's Limited Objection, the relief sought by the City in the Motion is
22 inappropriately one-sided, as it would allow the City to pick and choose the information to be
23 disclosed and apparently would prohibit other participants in the AB 506 Process (including
24 Franklin) from making disclosures of their own. If and to the extent disclosure is allowed, it must be
25 allowed on an equal basis to all AB 506 participants. Further, the City cannot be permitted to use
26 information about the AB 506 Process offensively – through selective disclosure of information that
27 it believes best advances its objectives – while seeking to preserve the confidentiality of materials

