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9 *Counsel for Franklin High Yield Tax-Free Income Fund
10 and Franklin California High Yield Municipal Fund*

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

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

) Case No. 12-32118 (CMK)
)
) DC No: OHS-1
)
) Chapter 9

) **JOINDER OF FRANKLIN HIGH YIELD TAX-FREE INCOME FUND AND FRANKLIN CALIFORNIA HIGH YIELD MUNICIPAL FUND TO (A) SUPPLEMENTAL OBJECTION OF ASSURED GUARANTY CORP. AND ASSURED GUARANTY MUNICIPAL CORP. TO DEBTOR'S CHAPTER 9 PETITION AND STATEMENT OF QUALIFICATIONS; AND (B) NATIONAL PUBLIC FINANCE GUARANTEE CORPORATION'S SUPPLEMENTAL OBJECTION TO THE CITY OF STOCKTON'S QUALIFICATIONS UNDER SECTION 109(c)**

24 Status Conference

25) Date: Tuesday, February 26, 2013
26) Time: 1:30 p.m.
27) Dept.: C, Courtroom 35
28) Judge: Hon. Christopher M. Klein

1 Franklin High Yield Tax-Free Income Fund and Franklin California High Yield Municipal
2 Fund (collectively, "Franklin"), creditors of the City of Stockton (the "City"), hereby (1) supplement
3 *Franklin Advisers, Inc.'s Objection To (A) The City Of Stockton's Statement Of Qualifications And*
4 *Eligibility To Be A Chapter 9 Debtor Pursuant To Sections 109(c) And 921(c) Of The Bankruptcy*
5 *Code; And (B) Entry Of An Order For Relief Pursuant To Section 921(d) Of The Bankruptcy Code*
6 [Docket No. 484], which objected to (A) the *Statement Of Qualifications Under Section 109(c)*
7 [Docket No. 5 / OHS-1] (the "Statement") filed by the City on June 28, 2012 and the City's
8 *Voluntary Petition* (the "Petition") pursuant to chapter 9 of title 11 of the United States Code (the
9 "Bankruptcy Code"); and (B) the entry of an order for relief under section 921(d) of the Bankruptcy
10 Code, in each case on the ground that the City has not proven that it qualifies to be a debtor under
11 sections 109(c) and/or section 921(c) of the Bankruptcy Code; and (2) join (this "Joinder") the
12 arguments made by Assured Guaranty Corp. and Assured Guaranty Municipal Corp. (collectively,
13 "Assured") in the *Supplemental Objection Of Assured Guaranty Corp. And Assured Guaranty*
14 *Municipal Corp. To Debtor's Chapter 9 Petition And Statement Of Qualifications* filed earlier today
15 (the "Assured Objection") and National Public Finance Guarantee Corporation ("National) in
16 *National Public Finance Guarantee Corporation's Supplemental Objection To The City Of*
17 *Stockton's Qualifications Under Section 109(c)* filed earlier today (the "National Objection").

18 By this Joinder, Franklin joins with Assured and National and adopts by reference hereto the
19 responses and arguments contained in the Assured Objection and the National Objection. Franklin
20 further reserves the right to be heard during any argument or status conference regarding the City's
21 Statement and Petition and all other related matters.

1 **WHEREFORE**, for the foregoing reasons, Franklin (i) objects to the City's Statement and
2 Petition and to the entry of an order for relief under section 921(d) of the Bankruptcy Code, in each
3 case on the ground that the City has not proven that it qualifies to be a debtor under sections 109(c)
4 and/or 921(c) of the Bankruptcy Code; (ii) joins in and requests that the Court sustain the Assured
5 Objection and the National Objection; and (iii) requests such other and further relief as is just and
6 proper.

7
8 Dated: December 14, 2012

JONES DAY

9
10 By: /s/ James O. Johnston

11 James O. Johnston

12 Joshua D. Morse

13 *Counsel for Franklin High Yield Tax-Free Income*
14 *Fund, Franklin California High Yield Municipal Fund*