

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re LEHMAN BROTHERS SECURITIES  
AND ERISA LITIGATION

This Document Applies To:

*City of South San Francisco v. Citigroup  
Global Markets, Inc., et al.*, Case No. 09-cv-  
1946

*City of Long Beach v. Fuld, et al.*, Case No.  
09-cv-3467

*County of Tuolumne v. Ernst & Young, LLP, et  
al.*, Case No. 09-cv-3468

*City of Fremont v. Citigroup Global Markets,  
Inc., et al.*, Case No. 09-cv-3478

Civil Action 09-MD-2017 (LAK)

**ELECTRONICALLY FILED**

**MEMORANDUM IN SUPPORT OF  
PLAINTIFFS' MOTION FOR LIMITED  
RELIEF FROM THE PSLRA  
DISCOVERY STAY**

Plaintiffs City of South San Francisco, City of Long Beach, County of Tuolumne, and City of Fremont (collectively "Plaintiffs") respectfully submit this memorandum in support of the Equity/Debt Plaintiffs' motion seeking limited relief from the discovery stay imposed by the Private Securities Litigation Reform Act of 1995, 15 U.S.C. § 78u-4 ("PSLRA"). *See In re Lehman Brothers Equity/Debt Sec. Litig.*, 08-CV-5523 (LAK) (Dkt. No. 189).

In late 2008 and early 2009, Plaintiffs filed individual complaints in California state courts based on their losses associated with investments in Lehman Brothers. Defendants removed these individual actions to federal court, and the Judicial Panel on Multidistrict Litigation subsequently transferred the actions to this Court. As a result of the transfers to this Court, Plaintiffs' individual actions are governed by Pretrial Order No. 1. Therefore, while Plaintiffs are not subject to the discovery stay on class actions imposed by the PSLRA, they are effectively in the same position as the class plaintiffs and are unable to conduct discovery or engage in Rule 26 disclosures absent court order.

Plaintiffs join in the reasoning given by the Equity/Debt Class Plaintiffs and the other plaintiffs who have submitted memorandums in support of the Equity/Debt Class Plaintiffs'

motion. Discovery of materials already disclosed in the civil, criminal, and regulatory investigations and lawsuits not subject the PSLRA's discovery stay will allow all interested parties to have equal access to relevant information. The relief requested by the Equity/Debt Class Plaintiffs poses a minimal burden on the producing parties, as they have already produced, or will soon produce, the same documents in other proceedings.

For the reasons stated above and in the motion submitted by the Equity/Debt Class Plaintiffs, Plaintiffs respectfully request that, to the extent the Court grants the Equity/Debt Class Plaintiffs' motion seeking limited relief from the discovery stay, the Court grant the same relief to Plaintiffs.

Dated: November 5, 2009

Respectfully submitted,

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