

**JACKSONVILLE POLICE AND FIRE PENSION FUND
BOARD OF TRUSTEES**

**In re: Monthly Written Report of
Legal Counsel Paul Daragjati of
Klausner, Kaufman, Jensen
& Levinson**

November 2016

/

Update on Existing Matters

Nothing to report.

New Matters

A new public records lawsuit has been filed, wherein the attorney for the plaintiff sued many individuals associated with the Fund personally. I reviewed the pleading, but will take no action in this case as the Office of General Counsel will handle.

Bob Klausner and I assisted in the review of the Loomis Sayles Investment Management Agreement and the Neuberger Berman Agreement. Suggestions on language amendment were completed.

Securities Litigation

Jacksonville is among the court appointed lead plaintiffs in the following cases. Each case is prosecuted on a contingency basis and the fund has no obligation for fees or costs, which are paid from any potential class recovery. Time spent by Fund staff is directly reimbursed from the class recovery. KKJL has been active counsel in these cases along with the lead securities counsel and will receive payment based on KKJL's contributions to the litigation from any class-wide recovery.

Lloyd v. CVB Financial Corp., et al
No. 10-cv-06256-CAS-PJW (C.D. Ca)

Update: This case was successfully mediated, settlement documents have been completed between the parties and a motion for court approval will be filed shortly. However, because a motion for court approval and a notice to the class has not been filed, the settlement details are still protected by the mediation privilege and cannot be discussed publicly. These will be prepared and submitted to the Court. It is expected that the Court will approve the resolution of the case. Jacksonville will receive a claim form, which KKJL will monitor. Additionally, copies of the relevant pleadings will be provided as filed, as this process takes a few months to complete.

History: This is a case brought in 2011 in federal court in California to recover losses incurred when CVB, a bank holding company, allegedly unreported real estate loan failures and allegedly inflated collateral to avoid loss of share value. In 2013, the court dismissed the claim and the decision was made to appeal to the US Court of Appeals for the 9th Circuit, which partially reversed the District Court and allowed the case to proceed to discovery. Originally, the Fund was not going to pursue the case because the loss was \$165,000 and it was believed that larger pension funds would pursue the matter. As the filing deadline approached, it became clear that no one else was pursuing the claim and Jacksonville would have had no opportunity to receive any recovery if it did not file.

Birmingham Fireman's and Policeman's Supplemental Pension System v. Plains All-American Pipeline, L.P.

No.: 15-cv-02404 (S.D. Tex.)

Update: Nothing new to report.

History: Plains is a firm that operates oil pipeline and energy infrastructure, which sustained a large oil spill in California in 2015. In its public filings pursuant to the Securities Act, it is alleged that the company mislead investors regarding their oil pipeline monitoring and safety measure failures leading to a dramatic drop in share price after the issues were publicly revealed. Several funds filed suit against the company, including Jacksonville, however Jacksonville was not near the largest losses in this litigation, so it withdrew its claim for class status. During discovery it was revealed that the lead plaintiff, IAM National Pension Fund, did not purchase stock in Plains' secondary offerings, but Jacksonville did. Jacksonville moved for status as lead plaintiff in these secondary offerings, which was granted. Discovery is continuing.