

Financial Services
Richard H. Hinds, Chief Financial Officer

**SUBJECT: RATIFY RELEASE OF PARTICIPATING COUNTERPARTY
 UNDER SETTLEMENT AGREEMENT WITH BANK OF
 AMERICA CORPORATION FOR DAMAGES RELATING TO
 DEPOSIT COLLATERALIZED FOR COP 2003-QZAB**

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

LINK TO STRATEGIC FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY

The Attorney General for the State of Florida, along with other States Attorneys General has reached an Out-of-Court Settlement totaling \$62.5 Million with Bank of America Corporation (BAC). The settlement is the result of an investigation concerning alleged violations of state and federal antitrust and other laws by BAC and other providers, brokers and advisors, involving the marketing, sale and placement of Municipal Bond Derivatives. The Attorneys General included a statement in the Settlement Agreement indicating the settlement was reached in recognition of BAC's truthful cooperation with the investigation and its receipt of conditional leniency from the Antitrust Division, Department of Justice after being the first (and only) entity to voluntarily self-report their conduct.

In 2003 BAC entered into a Master Repurchase Agreement (Investment Agreement) related to the investment of sinking fund payments for the COP 2003-QZAB. The Investment Agreement is associated with the Deposit Collateralized QZAB under the Settlement Agreement. It has been determined that the School Board's share in the settlement is \$25,523.91. In order to receive the payment, the School Board had to provide a Release of Participating Counterparties, Attachment A, by January 3, 2012.

Due to the time constraint the Board is requested to ratify the Release of Participating Counterparties, which gives up the right to sue BAC for certain claims, which include claims brought against BAC in civil class actions consolidated in the case of *In re Municipal Derivatives Antitrust Litigation*. Although a recovery against BAC in a lawsuit, if any, could be greater or less than the share under the Settlement Agreement, it was determined to be in the district's best interest to participate in the settlement with BAC, as recommended by the School Board Attorney's Office, outside Bond Counsel at Greenberg Traurig, and the School Board Treasurer.

RECOMMENDED: That The School Board of Miami-Dade County, Florida ratify Release of Participating Counterparty under Settlement Agreement with Bank of America Corporation for damages relating to Deposit Collateralized for COP 2003-QZAB.

AG Muni Bond Derivative Settlement
c/o GCG, Inc.,
Claims Administrator
P.O. Box 9682
Dublin, OH 43017-4982
(800) 374-9013



Claim No: 1000438

BAM0200034080



THE SCHOOL BOARD OF MIAMI DADE COUNTY
SCHOOL BOARD OF MIAMI DADE COUNTY
1450 NE 2ND AVENUE
ATTN: EDUARDO ALFARO
MIAMI, FL 33132

RELEASE BY PARTICIPATING COUNTERPARTIES

This release executed this 16th day of December, 2011, by the Releasor (as defined below) in favor of the Releasee (as defined below).

DEFINITIONS

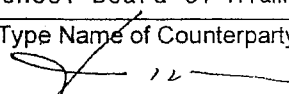
- A. "Releasor" shall mean the Participating Eligible Counterparty and any of its affiliates, subsidiaries, associates, general or limited partners, or partnerships, predecessors, successors, or assigns, including any of its present or former directors or officers.
- B. "Releasee" shall mean Bank of America Corporation ("BAC"), a corporation existing and organized under the laws of the State of Delaware, with its headquarters in Charlotte, North Carolina, and its successors, assigns, subsidiaries, divisions, groups, affiliates and partnerships. BAC also includes all current officers, directors and employees of the foregoing, along with any individual who was an officer, director or employee of the foregoing as of January 8, 2007.
- C. "Relevant Conduct" shall mean engaging in the conduct set forth in the Allegations section in the Settlement Agreement (as defined herein) from January 1, 1998 through December 31, 2007 thereby unreasonably restraining competition in the marketing, sale and placement of any Municipal Bond Derivatives, or in the offer to market, sell or place any Municipal Bond Derivatives by, among other means, (i) rigging bids and fixing prices and other terms and conditions of any Municipal Bond Derivatives; (ii) conspiring with certain other Providers and/or Brokers in a scheme to engage in unfair and deceptive trade practices in the marketing, sale and/or placement of any Municipal Bond Derivatives or in the offer to market, sell or place any Municipal Bond Derivatives; (iii) engaging in unfair and deceptive trade practices, including making misrepresentations or omitting material facts in the marketing, sale and/or placement of any Municipal Bond Derivatives or in the offer to market, sell or place any Municipal Bond Derivatives; and/or (iv) any anticompetitive, deceptive, unfair or fraudulent conduct between and among Providers and or Brokers related to the bidding or negotiating for any Municipal Bond Derivatives including agreements not to bid on or otherwise not to market, sell or place any Municipal Bond Derivative.
- D. "Municipal Bond Derivatives" shall mean contracts involving the investment or reinvestment of the proceeds of tax-exempt bond issues, Qualified Zone Academy Bonds, or bonds issued by or on behalf of any governmental or quasi-governmental or non-profit entity, including, but not limited to, states, cities, towns, counties, villages, parishes, school districts, clubs, or various economic development, redevelopment, development, financing, lottery, parking, housing, educational, medical, religious, public safety, building, water, sewer, hospital, transportation, public works, waste management, environmental, port, airport, telecommunications and power authorities, corporations or boards; and (ii) related transactions involving the management or transferral of the interest rate risk associated with those bond issues including, but not limited to, guaranteed investment contracts, forward supply, purchase, or delivery agreements, repurchase agreements, escrow agreements, security sales, swaps, caps, options and swaptions. Notwithstanding the foregoing, Municipal Bond Derivatives does not include (i) contracts to underwrite the issuance of municipal bonds, (ii) credit default products, such as credit default swaps and credit default options, (iii) inter-dealer swaps or (iv) swaps or other agreements between Providers to hedge, manage or otherwise share or transfer their risk on a Municipal Bond Derivative.
- E. "Covered Derivatives" shall mean Municipal Bond Derivatives that meet the criteria set forth in Attachment A to the Settlement Agreement.



- F. "Settlement Agreement" shall mean the Settlement Agreement between Bank of America Corporation and the Attorneys General of the States and Commonwealths of Alabama, California, Connecticut, Florida, Illinois, Kansas, Maryland, Massachusetts, Michigan, Missouri, Montana, Nevada, New Jersey, New York, North Carolina, Ohio, Oregon, Pennsylvania, South Carolina, Texas, Colorado, the District of Columbia, Idaho, Iowa, Tennessee, Utah, North Dakota, and Wisconsin dated December 7, 2010 (the "Settlement Agreement").
- G. Effective Date" shall mean the Effective Date of the Settlement Agreement, December 7, 2010.

RELEASE

1. In consideration of the receipt by Releasor of \$25,523.91 for damages relating to the **Deposit Collateralized QZAB (approximate trade date 12/10/2003)**, payment of which is made by BAC in accordance with the terms of the Settlement Agreement, Releasor hereby releases Releasee from all civil claims, counterclaims, cross-claims, set-offs, causes of action of any type (whether common law, equitable, statutory, regulatory or administrative, class, individual or otherwise in nature, and whether reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured) demands, disputes, damages, restitution, whenever incurred, and liabilities (including joint and several) of any nature whatsoever, including without limitation, costs, fines, debts, expenses, penalties and attorneys fees, known or unknown, that it has against the Releasee arising from the Relevant Conduct through December 31, 2007 in relation to the marketing, sale or placement of Municipal Bond Derivatives.
2. The Releasor intends by this Release to settle with and release only BAC and does not intend this Release, or any part hereof or any other aspect of the Settlement Agreement or the Release, to extend to, to release or otherwise to affect in any way any rights that the Participating Counterparties have or may have against any other party or entity whatsoever, other than BAC.
3. In the event that the total payment referenced in Paragraph 1 above is not made, regardless of the reason for such non-payment, then this Release shall be null and void; provided however, that any payments made by the Releasee may be credited against any settlement, judgment, or penalties arising out of the Relevant Conduct.
4. The Releasor hereby waives the provisions of California Civil Code section 1542, which provides: "A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor." This provision shall not be deemed to turn a specific release into a general release.
5. The Releasor represents and warrants that the released claims have not been sold, assigned or hypothecated, in whole or in part.

The School Board of Miami-Dade County, Florida	59-6000572
Print or Type Name of Counterparty	Tax Identification Number
	12-16-2011
Signature	Date
Chief Financial Officer	
Title and Capacity of Person Signing	
1450 NE 2nd Avenue, Miami, FL 33132	
Address	
305-995-1225	
Phone Number	
RHinds@dadeschools.net	
Email Address	