

**UNITED STATES JUDICIAL PANEL**  
**on**  
**MULTIDISTRICT LITIGATION**

**IN RE: TRIBUNE COMPANY FRAUDULENT  
CONVEYANCE LITIGATION**

The Official Committee of Unsecured Creditors of Tribune Co. v.	)	
Citigroup Global Capital Markets, Inc., et al.,	)	MDL No. 2296
D. Delaware, Bky. Advy. No. 12-50446	)	

**TRANSFER ORDER**

**Before the Panel:** Pursuant to Panel Rule 7.1, defendants Citigroup Global Capital Markets, Inc. (CGMI) and Merrill Lynch, Pierce, Fenner & Smith Incorporated (Merrill) move to vacate our order conditionally transferring this bankruptcy adversary action to the Southern District of New York for inclusion in MDL No. 2296. Plaintiff in the action opposes the motion.

In opposing transfer, CGMI and Merrill argue that this action has no real nexus with actions previously transferred to the MDL – all of which, they contend, relate solely to transfers made by former Tribune Company shareholders in connection with the 2007 leveraged buyout (LBO) of the company. They argue that, by contrast, this action involves claims against CGMI and Merrill based on their roles as the company’s financial advisors with respect to the LBO. We are not persuaded by this argument. CGMI and Merrill are already parties in the MDL, and acknowledge that if transfer is not effected, some coordination between proceedings in this action and those in the MDL will be necessary. Indeed, although defendants oppose Section 1407 transfer, they state that they are amenable to Section 1404 transfer to the Southern District of New York. They offer no satisfactory explanation for opposing one but not the other. To the extent that this action involves some unique issues, the transferee judge has the discretion to handle those issues through the use of appropriate pretrial devices, such as separate tracks for discovery and motion practice. *See, e.g., In re: Countrywide Fin. Corp. Mortgage-Backed Sec. Litig.*, 812 F. Supp. 2d 1380, 1383 (J.P.M.L. 2011).

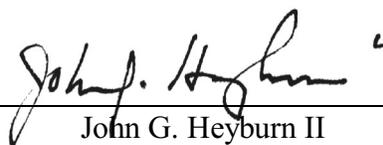
After considering all argument of counsel, we find that this action involves common questions of fact with actions in this litigation previously transferred to MDL No. 2296, and that transfer will serve the convenience of the parties and witnesses and promote the just and efficient conduct of the litigation. Moreover, transfer is warranted for reasons set out in our original order directing centralization. In that order, we held that the Southern District of New York was an appropriate Section 1407 forum for actions “aris[ing] out of[Tribune Company’s] 2007 leveraged buyout (LBO), its 2008 Chapter 11 bankruptcy filing, and the impact of the LBO and bankruptcy on the Tribune’s creditors.” *See In re Tribune Co. Fraudulent Conveyance Litig.*, 831 F. Supp. 2d 1371, 1371 (J.P.M.L. 2011). A review of the complaint leaves no doubt that this action shares factual issues with

- 2 -

the earlier-transferred actions, including issues regarding the financial condition of the company at the time of the LBO and the effect of the LBO on the company.

IT IS THEREFORE ORDERED that pursuant to 28 U.S.C. § 1407, this action is transferred to the Southern District of New York, and, with the consent of that court, assigned to the Honorable William H. Pauley III for inclusion in the coordinated or consolidated pretrial proceedings.

PANEL ON MULTIDISTRICT LITIGATION



---

John G. Heyburn II  
Chairman

Kathryn H. Vratil  
Barbara S. Jones  
Marjorie O. Rendell

W. Royal Furgeson, Jr.  
Paul J. Barbadoro  
Charles R. Breyer